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New York

President: Mr. Ali Abdussalam Treki ..... (Libyan Arab Jamahiriya)

In the absence of the President, Mrs. Aitimova (Kazakhstan), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 52 (*continued*)

Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference

High-level Dialogue on Financing for Development

The Acting President: There are 35 speakers on my list. I recall that speakers are kindly requested to limit their statements to five minutes in accordance with the established procedure.

I give the floor to the representative of Kuwait.

Mr. Al-Hunaif (Kuwait) (*spoke in Arabic*): At the outset, Kuwait welcomes the holding of the fourth High-level Dialogue on Financing for Development, which is a timely event in the context of the preparations to review the progress made in achieving the Millennium Development Goals (MDGs) at the MDG review summit to be held in September. We agree with previous speakers that the Dialogue on the follow-up to and implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development is of particular importance.

We are currently witnessing a slowdown in global economic growth that is having severely negative impacts on developing countries. The most important of these impacts are the sharp decline in international trade, the flow of private capital, basic commodity prices and financial transfers destined to the least developed countries, as well as high rates of unemployment and decreasing levels of per capita income. It is worth noting that the scope of the impact of the global financial and economic crisis on developing countries is not limited to what I have just mentioned; it also casts dark shadows on efforts to accomplish the MDGs, especially given the varying increasing rates of poverty in many developing countries.

The situation will get worse if those countries are not provided with additional facilitated financial resources to overcome the challenges arising from the crisis. This is especially true for the poorest countries, which rely on foreign aid and are least capable of confronting the global economic downturn and the challenges posed by the world food crisis, climate change and its negative impact on the agricultural sector.

In addition to these countries' efforts to combat hunger and poverty, the economic and social indicators of developing countries show that the financial and economic crisis and the food crisis that preceded it — as well as the impact of climate change and its threat to food security — have led to new developments in the areas on which the Monterrey Consensus and the Doha Declaration on Financing for Development were focused.

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Today, new challenges have emerged. Overcoming them will require us to work together to establish development partnerships, donors and partners will need to fulfil their pledges, and financial resources will have to be provided to meet the new economic realities. The new reality that has emerged in recent years means that achieving the goals of the Monterrey Consensus and the Doha Declaration will require much-needed financial resources in order to enable developing countries to fund investments in infrastructure, economic programmes and projects, agricultural investments necessary for food security, and other activities that would alleviate hunger and poverty and bolster developing countries' capacities to move forward in implementing the MDGs.

There is no doubt about the need to provide the necessary funding for development. This need has grown ever greater in light of the crises that have arisen since the Monterrey Consensus was reached in 2002. While we recognize the progress achieved in locating innovative sources of financing through new mechanisms, we note that the Monterrey Consensus prioritized official development assistance and encouraged developed countries to take serious measures to deliver official development assistance at a level of 0.7 per cent of their gross national income. Official development assistance remains below that target level, not having exceeded 0.3 per cent. Donor countries should therefore redouble their efforts to provide facilitated financial resources to meet the increasing need to finance development activities in developing countries.

Here, I should like to summarize my country's efforts in the context of financing for development. The Kuwait Fund for Arab Economic Development, founded by the State of Kuwait over half a century ago, continues to provide facilitated aid to a total of 104 developing countries around the world. Those States have benefited from over $15 billion in facilitated aid. In addition, the State of Kuwait has made direct grants to a number of developing countries, not to mention its financial contributions to regional and international financial institutions.

It is worth noting that the problem of debt continues to plague developing countries, especially the heavily indebted poor countries. With this in mind, the Kuwait Fund, within the framework of the initiative to alleviate the debt burden of these States, has rescheduled their debt, despite the fact that those debts were already facilitated. This initiative has benefited some 23 States, most of which are located in Africa and are among the least developed. The Fund will continue to offer discounts to qualified States in the future.

Our efforts do not stop there. The Kuwait Fund also contributes to a multilateral initiative to alleviate the debt burden on all heavily indebted poor countries and has achieved a completion point that gives these States better opportunities to spend funds on programmes and activities that would help them achieve the MDGs.

The Kuwait Fund is currently intensifying its efforts in the fields of health and education and in funding small and medium-sized enterprises, as well as in microfinancing. It has also implemented social funds and supported local development banks, given their importance in combating poverty and unemployment in beneficiary countries.

Realizing the importance of assisting developing countries to achieve the MDGs, especially that of alleviating poverty, His Highness the Emir has launched an initiative to establish a fund for dignified life and has contributed $100 million to fund projects pertaining to agricultural production, which will help to ensure food security and to combat poverty and hunger in developing countries. He has also allocated $300 million to the Islamic Solidarity Fund for Development to eliminate poverty in Africa through the Islamic Development Bank.

Given the important role played by the private sector, the State of Kuwait participated in the Arab economic and social summit, which it hosted in January 2009. It also launched an initiative to establish a fund to support small and medium-sized projects being launched in the private sector in Arab States, with an estimated capital of $2 billion, of which Kuwait contributed $500 million.

In conclusion, my country fully realizes that the best way to confront crises and to revive confidence in our ability to achieve the MDGs lies in renewing our determination and that of all development partners to do their best to combat crises and to cooperate in providing needed financial resources to future development operations and programmes. In this respect, the provision of more official development assistance, by developed countries in particular, is of the utmost importance to ensuring that the basic

components necessary to the success of efforts to achieve the MDGs are in place. Moreover, this will require helping developing countries to benefit from opening their economies within the framework of globalization.

We hope that our Dialogue on Financing for Development will strengthen our consensus on redoubling our efforts to overcome the challenges and obstacles confronting development and the achievement of the MDGs.

The Acting President: I give the floor to the representative of El Salvador.

Mrs. Gallardo Hernández (El Salvador) (*spoke in Spanish*): My delegation welcomes the convening of this fourth High-level Dialogue on Financing for Development.

El Salvador endorses the statements that were made by the representative of Yemen on behalf of the Group of 77 and China and the representative of Chile on behalf of the Rio Group.

The convergence of crises has affected developing countries to differing degrees depending upon their economic structures, their degree of integration into the global economy and their vulnerability to the crises. As a result, we underscore that the responses of developing countries to this crisis have differed too and that, consequently, different results have been attained.

The anti-crisis programme launched by the Salvadoran Government has focused on protecting the most vulnerable groups through public investment and programmes that generate wide-ranging short-term employment and provide substantial improvements to the physical infrastructures among populations with a high level of poverty.

The Doha Declaration reaffirmed the commitment to gender equality and the empowerment of women. At the same time, it underscored the importance of making progress in this area, as it is a prerequisite to achieving the Millennium Development Goals. As a result, El Salvador firmly supports this vision.

Moreover, we must underscore that the financial and economic global crisis has also had a significant negative impact on the flow of remittances from Salvadoran nationals living abroad, in particular in the United States of America. There has been a decrease of 8.5 per cent in the level of remittances. The reduction in this source of financing has significant repercussions in the distribution of national wealth in countries such as our own, as the majority of remittances are sent to the country's poorest households and by workers who have been particularly affected by the crises.

The global economic and financial crisis has also affected El Salvador in the financial sphere, as the Salvadoran economy was pegged to the dollar in 2001. This has clearly reduced the margin for manoeuvre in monetary policy. The crisis has also led to a reduction in credit for the private sector, drastically affecting productive activity in my country.

We underscore the importance of strengthening international dialogue with a view to reforming the global economic and financial system and to ensuring adequate monitoring and regulation of the functioning of the international and national financial systems. Therefore, we must do more to guarantee the full participation of developing countries, in particular in the reform of the global economic and financial architecture, and ensure that multilateral banks have the real capacity to rescue those countries that require help in averting future economic or financial crises, strengthening in turn regional and subregional development banks.

El Salvador agrees that we must reaffirm the importance of implementing countercyclical policies as a relief measure to alleviate the negative effects of the crisis. Without a doubt, the main responsibility for development lies with countries themselves; as a result, we must acknowledge that the mobilization of national resources must be accompanied by increasing State capacity in the design and implementation of national policies in order to meet the challenges and opportunities that may derive from this crisis too.

In this context, in late 2009 the Government of El Salvador launched a fiscal reform proposal for greater taxation equality through a more equitable distribution in the payment of taxes, increasing taxation on tobacco, alcoholic drinks and luxury items in particular. In addition to collecting more than $170 million for public works, health, education, security and assistance for the most vulnerable and neediest sectors, we also hope through this reform to combat tax avoidance, evasion and smuggling contraband.

As to foreign direct investment, while El Salvador has not been a significant recipient, we wish to underscore the significant decrease in such investment in 2008 and 2009. Furthermore, we call for a rapid and successful conclusion to the Doha Development Round in order to strengthen the multilateral trade system on a fair, predictable and mutually beneficial basis.

With regard to the effects of the financial and economic crisis on external debt, according to our Central Reserve Bank, our external public debt is expected to reach 52 per cent of the gross domestic product. This has a significant impact on future levels of indebtedness, which could be affected. This, along with predictions of higher costs for financing and reductions in the level of family remittances, has created serious concern.

In conclusion, allow me to emphasize the importance of official development assistance in particular. We express the concern of El Salvador over the situation currently affecting middle-income countries as a result of the reduction in international development cooperation from our donors.

Finally, we welcome the inclusion by the Bretton Woods institutions of the issue of middle-income countries on their agenda.

The Acting President: I give the floor to the representative of Cuba.

Mr. Benítez Versón (Cuba) (*spoke in Spanish*): Cuba attaches particular importance to this Dialogue. This is a good opportunity to follow up the commitments made in the field of financing for development that were outlined at the Monterrey Conference and reaffirmed six years later at the Doha Review Conference.

Unfortunately, the results that were attained at those two Conferences did not meet the expectations of the countries of the South. The goals that were set were not sufficiently ambitious and did not adequately respond to our nations' vast needs for financing. We remain exposed to the fluctuations of a single hegemonic currency. The international financial institutions continue to exploit the crisis to impose conditionalities on developing countries. The international trade system is far from being truly open, non-discriminatory and equitable, despite what was agreed upon in Monterrey.

These factors continue to hinder the capacity of southern countries to mobilize the financial resources necessary to sustain their economic and social progress and to further develop. In spite of the pledges made, there is still a gap of $21 billion between reality and the financial commitments made by developed countries in 2005. Africa, a continent with particularly daunting development challenges, will receive only some $12 billion of the original $25 billion promised.

It is therefore essential that the developed countries increase their levels of official development assistance and meet their commitment to allocating 0.7 per cent of their gross national income to that end. A further priority for our countries is not only an increase in the levels of official development assistance, but also that the financing received for that purpose respect national priorities and strategies for development and be provided without conditions. Therein will lie its true effectiveness.

National efforts will never suffice unless there are coherent development policies at the international level that prioritize solidarity and justice as the bases for relations between nations. There will be no real solutions without a system of international relations that reduces the inequalities between countries and encourages the participation of all on an equal footing in global decision-making.

We reiterate that no international forum or organ is better equipped than the United Nations and its General Assembly to host the necessary wide-ranging and inclusive dialogue. One of the linchpins of this new order would be the reform of the international financial architecture, which must be based on a new socio-economic paradigm centred on the human being.

Cuba supports the convening of a high-level conference under the auspices of the General Assembly to consider a new international financial architecture. This exercise must include all nations, and this Organization is the only democratic, representative forum with sufficient power to convene such a conference. No solution put forward by an exclusive group of countries will be legitimate or comprehensive enough.

Allow me to conclude by recalling that we have pledged at many global forums, including the Monterrey and Doha conferences, to strengthen the United Nations leadership in the field of global economic governance and the promotion of

development. It is now time to make this promise a reality.

The Acting President: I give the floor to the representative of Colombia.

Ms. Blum (Colombia) (*spoke in Spanish*): My delegation associates itself with the statements delivered by the representative of Yemen on behalf of the Group of 77 and China and by the representative of Chile on behalf of the Rio Group.

Colombia welcomes the holding of this High-level Dialogue and values its goal of following up on the tasks and commitments arising from the Monterrey Consensus and the Doha Declaration on Financing for Development.

The current status of the world economy underscores the need for more coordination between the United Nations and the international financial institutions. Even more obvious is the need to modernize and reform the international financial system in order to introduce effective monitoring mechanisms to facilitate a sustainable global financial recovery and to prevent crises like the one we have been experiencing since 2008.

As the international financial system is based on the integration of markets, its reform should be comprehensive. This will be essential to achieving further coherence in macroeconomic policies at the global level, including a financial regulatory framework that has at its core the allocation of resources for productive activities, prioritizing in particular the needs of developing countries.

Thus, any reform of the international financial system must be widely discussed by all countries and have a clearly defined agenda that covers the issues that require quicker and more effective responses. The process should ensure adequate representation of developing countries, particularly low- and middle-income countries.

Financial stability is a key element in reducing poverty. It must translate into more and better flows of direct foreign investment in developing economies. It should also foment better financing conditions and innovative support mechanisms for the most vulnerable groups.

During the recent global crisis, the World Bank named Colombia as the Latin American country that offers the best protection to investors. In the same vein, Colombia was ranked fifth in the world by the Bank. For the seventh year in a row, Bogota, its capital, moved up on the list of the most business-friendly cities in Latin America, rising from sixteenth in 2008 to sixth in 2009. Nevertheless, there was a significant drop in direct foreign investment in our country in 2009.

As noted by the representative of Chile in his intervention on behalf of the Rio Group, we hope that this trend of decreasing flows of financial resources towards our region will be reversed shortly. The recovery of developing economies will depend to a large extent on the normalization of investment flows and the effective opening of the goods and services markets of developed countries. These conditions will also be important to meeting development challenges, in particular to reducing the poverty and unemployment that afflict so many people in the developing world. From this perspective, middle-income countries call for special attention.

Colombia is actively leading efforts on the generation and sharing of experience, the effective exchange of knowledge and development activities as part of the efforts to enhance South-South cooperation. Such cooperation is an innovative way to mobilize resources, share experience and knowledge, and contribute to the achievement of the Millennium Development Goals and other development objectives. The meeting of the high-level working group on development effectiveness and South-South cooperation, which is being held this week in Bogota, will offer practical proposals aimed at taking full advantage of the potential of South-South cooperation.

In conclusion, allow me to reiterate Colombia's commitment to constructive dialogue and to the follow-up of the financing for development agenda and the achievement of the MDGs. Only decisive multilateral action will allow us to make progress in implementing the commitments agreed in Monterrey and Doha. We trust that this Dialogue will produce specific conclusions and proposals on moving forward, in an effective manner, in that direction.

The Acting President: I thank the representatives of Cuba and Colombia for limiting their statements to five minutes.

I give the floor to the representative of San Marino.

Mr. Bodini (San Marino): As already outlined by the President of the General Assembly, the Secretary-General and many other speakers, it is imperative to maintain the Millennium Development Goals (MDGs). Developed countries must increase their efforts to meet their donor goals; beneficiary countries shall treasure these investments and make sure to succeed, utilizing all their national resources, in achieving the MDGs by 2015.

The 2008 global financial crisis, followed by the 2009 economic debacle, showed the fragility of our global financial and economic structure and the dark side of globalization. Despite the many warnings about a possible major economic upheaval, the Bretton Woods institutions, as well as many regulatory agencies throughout the world, failed to provide the appropriate tools to prevent such a catastrophe. Two years later, there are still $600 trillion of derivative financial instruments floating around, and many, many trillions of dollars of high-risk assets without transparent and effective monitoring. San Marino believes, like many other States, that a much more comprehensive global financial supervisory system should be put in place as soon as possible.

The most striking effect of this economic crisis has been the rapid increase of unemployment, not only in the least developed and developing countries, but also in almost all developed countries. It is forecast that, in 2010, there will be at least 60 million more people unemployed around the world than in 2008. The International Labour Organization estimates the number of officially unemployed people to be well above 200 million, and forecasts that another 200 million workers are at risk of underemployment with wages of less than $2 a day.

Unfortunately, it is young people — and this is the most troubling aspect — who are the ones most affected by this phenomenon. If employment does not improve dramatically, and soon, there is a risk that many countries will be vulnerable to social instability in 2010-2011. This vulnerability will be enhanced by the level of income inequality, ethnic and religious strife, and the quality of governance, as well as by many other factors, including natural catastrophes.

At this time, on the very specific issue of global unemployment that is exploding before our eyes, we must unite our efforts, our compassion and our dedication to reverse the tsunami that is washing away the rights of every individual — and especially of young people — to have a decent paying job.

The United Nations should be at the very centre of this debate. The General Assembly should be the inspiring place where steady stewardship must be maintained for the benefit of generations to come.

The Acting President: I give the floor to the representative of Costa Rica.

Mr. Hernández-Milian (Costa Rica) (*spoke in Spanish*): We welcome the convening of the fourth High-level Dialogue on Financing for Developing. We align ourselves with the statements delivered by the representative of Yemen on behalf of the Group of 77 and China, and by the representative of Chile on behalf of the Rio Group. I wish to offer a few reflections on this topic from my country's perspective.

The outcomes of the Monterrey and Doha Conferences are the most visible expression of the United Nations commitment to the issue of financing for development. They represent the resolve of nations to promote international technical and financial cooperation and a challenge to multilateralism as the mechanism for collective exchange and action.

For a middle-income developing country like Costa Rica, which is also exposed to the effects of the global financial and economic crisis, the fulfilment of the Monterrey and Doha commitments is of particular importance. Channelling resources from developed countries, as set out in the commitments undertaken, must be not just another rhetorical exercise, but rather an objective that can be achieved expeditiously. The crisis, far from becoming a pretext for avoiding responsibilities, should be seized as an opportunity for cooperation and for harnessing synergies in view of the shared need to undertake the reform needed in the global financial system.

Like other middle-income countries, we too are facing great challenges in speeding up the pace of poverty eradication and waging war against all forms of injustice and inequality. In this regard, official development assistance remains essential to our country while, in the absence of an economic flow of international aid, it will be difficult to respond to the current challenges. We are concerned by the shortfall of $27 billion anticipated in 2010. We are also concerned to learn from the report of the Secretary-General on the Millennium Development Goals,

entitled "Keeping the promise" (A/64/665), that the distribution of official development assistance remains so inequitable.

With regard to global governance, international macroeconomic decision-making mechanisms must be broadened. The global financial and economic crisis has made that obvious. My delegation recently supported a proposal sent to the Secretary-General, the primary objective of which was to request that the deliberations of the Group of 20 be more effective, inclusive and transparent at the global level, and that they provide for the involvement of and consultation with a larger group of countries.

From Monterrey to Doha, Costa Rica recognizes the benefits of free trade as an engine for development. However, the recent economic crisis has reawakened the spectre of protectionism that many of us had believed had been put to rest. While it is unfortunate that developing countries at times turn to protectionist measures, the recourse to such measures by certain developed countries is unacceptable. Industrialized countries unjustly exert pressure for the lowering of trade barriers only when it is of benefit to those countries themselves. It is imperative that the Doha Round discussions be resumed and that the agreements struck therein benefit all developing countries equally and without discrimination.

At present, developing countries do not have the capacity to address the high levels of unemployment. The international community must devote greater effort to dealing with their heavy debt burden. Today more than ever, it is of fundamental importance that we examine innovative sources for financing for development. In this context, Costa Rica supports the devotion of continued attention to the report delivered by the Secretary-General on this topic (A/64/189).

In September, we will come together at the United Nations for a summit on the Millennium Development Goals. It will be a unique opportunity for all countries, developed and developing, to make our best efforts to invest public resources to meet social needs, including those identified in the Millennium Development Goals.

We have often reiterated that a great number of developing countries could give greater impulse to their fight against poverty, violence and inequality, and the numerous related problems, by reducing their military expenditure. There can be nothing more important than investing in health, education and infrastructure for collective well-being within our societies.

Finally, there is a direct link between financing for developing needs and the achievement of the Millennium Development Goals, on the one hand, and the crossroads at which the world finds itself in terms of climate change, on the other. Developing countries in general face spectacular challenges in seeking to achieve their mitigation and adaptation targets, which require financial resources. The technological transformation that is required, especially in promoting clean technologies, is urgent, and funding it should be a priority. Technology is key in the fight against climate change. In this context, too, Costa Rica has set itself ambitious targets and hopes to become a carbon-neutral country by 2020.

We hold high expectations for the post-Copenhagen process. The agreement, while not free from polemics and debate, nevertheless indicates a path by which we can all move forward in the negotiations and arrive in Cancún, Mexico, at the end of the year ready to achieve effective results that are satisfactory to all.

The common agenda of climate change is one of urgency. My country harbours the hope that those countries which contributed most to creating the current situation and, moreover, benefited most from unsustainable development will now have the courage to take the lead in turning the tide and, with sincere determination, to extend a hand in greater solidarity.

The Acting President: I give the floor to the representative of the United Arab Emirates.

Mr. Al-Jarman (United Arab Emirates) (*spoke in Arabic*): The outcomes of the 2002 International Conference on Financing for Development and the 2008 Doha Declaration constitute an integrated international mechanism for financing for development and for combating global poverty. They also provide a comprehensive way of addressing the increasing challenges facing the world in that regard, in particular given the difficult global economic and financial conditions that all countries in the world are experiencing. We underscore the need for all forms of international cooperation in that area, including cooperation between developed and developing countries, and South-South and trilateral cooperation.

We emphasize the importance of overcoming the political and financial barriers that impede the full implementation of the Monterey and Doha recommendations. The financial crisis must not lead to a decrease in or cancellation of the development assistance that developed countries have committed to developing countries. In the United Arab Emirates, we will continue to cooperate with the international community so as to overcome the crisis, while continuing to fulfil our national commitments and implement our development programmes, international commitments and assistance to developing countries in order to achieve the internationally agreed development goals.

The United Arab Emirates was able to contain the impact of the global economic and financial crisis by developing effective policies and taking quick action, such as precautionary financial measures. That enabled us to mitigate the effects as quickly as possible and to continue to mobilize the necessary domestic resources, thus spurring the growth of the national economy despite the international economic slowdown. We have also striven to protect the environment and to mitigate the negative effects of global climate change, including by expanding our investments in renewable and alternative energy sources. We have also explored clean energy, emissions reduction and desertification reversal technologies.

In the area of foreign investments, despite the slowdown in the flow of global foreign investments, the rate of such investments flowing into the United Arab Emirates remains high by international standards. According to the World Trade Report 2009, the United Arab Emirates ranked top in the Middle East and North Africa regions, rising six points higher than its position in the Davos report for 2008-2009. At the same time, the number of national companies and funds investing in countries outside the United Arab Emirates has consistently increased and included a range of sectors.

The United Arab Emirates contributions to foreign development assistance have exceeded the Monterrey standard of 0.7 per cent of gross national income, most of which is paid in direct assistance to over 100 developing and poor countries in the form of soft loans and condition-free grants in order to enhance the productive capacity of their economies and improve the standard of living of their peoples. The Abu Dhabi Fund for Development leads the national institutions in contributions to development in the developing countries. Since its establishment, contributions by the Fund have amounted to more than 23 billion dirhams, equivalent to some $6.32 billion, allocated to finance 260 development projects in 52 developing countries.

With regard to innovative financing resources, my country continues to find new ways to contribute to financing development in developing countries. Most recently, we launched the Pacific Islands Partnership Programme, with an initial capital of $50 million, dedicated to funding important development projects and partnerships in the Pacific Islands nations. Before that, we launched the Dubai Cares initiative to educate children, eradicate illiteracy and fight poverty in developing countries, particularly in Africa. That is in addition to a number of charitable development projects carried out by various national institutions, led by the United Arab Emirates Red Crescent Society, in the developing countries and countries affected by natural disasters and armed conflicts.

As concerns international trade, the United Arab Emirates has entered trade relations with a number of developed and developing countries, in particular in Africa. Our trade with Africa has doubled in the past three years and constitutes 3.6 per cent of our total foreign trade. With regard to foreign debt, we support debt reduction strategies or debt cancellation, and have important steps in the past few years, such as forgiving Iraq's debts in order to help it rebuild its economy and implement its development programmes.

In conclusion, we hope that our deliberations in this Dialogue will bolster international consensus on finding the most effective ways to implement the outcomes of the Monterrey and Doha Conferences, in particular in view of the repercussions of the global financial crisis.

The Acting President: I would remind speakers at this meeting that we have decided to limit our statements to five minutes.

I give the floor to the representative of Morocco.

Mr. Loulichki (Morocco): It is a great pleasure, Madam, to make our contribution as you preside over our work.

(*spoke in French*)

I would first like to align myself with the statements made by the representatives of Yemen on

behalf of the Group of 77 and China, and of Equatorial Guinea on behalf of the African Group.

The fourth High-level Dialogue on Financing for Development is of particular importance. It is being held in the context of the preparatory process for the 2010 summit on the Millennium Development Goals (MDGs) and should thus help to strengthen the international community's political will and commitment to the Goals.

Financing for development is a crucial factor in the efforts to achieve the internationally agreed development goals. In that context, the Monterrey Consensus and the Doha Declaration were adopted so as to attain those goals by 2015. Now that we are five years from the deadline, that objective is far from being achieved. The unstable global economic situation and the delay in implementing assistance commitments have compromised the progress made on the MDGs.

The crisis has had repercussions. The least of those is that 64 million people throughout the world will be reduced to extreme poverty by the end of 2010. The financial and economic crisis has deprived developing countries of their main financial sources, inter alia through the decrease in their exports, foreign direct investment, tourist income and migrant remittances.

While national development strategies to attain the MDGs were set up, the issue of resources for their implementation, especially financial resources, remains fully unresolved. The grim situation of the economic activities of developing countries following the crisis has restricted their margin for action to release the domestic financial means needed to relaunch their economies. Furthermore, international commitments to development assistance — which, moreover, are minimal — have not been fully honoured.

Morocco calls for the comprehensive implementation of all commitments to development assistance and supports initiatives to establish innovative financial mechanisms with a view to generating additional development resources. Moreover, the Monterrey Consensus and the Doha Declaration, which enshrine MDG 8, should be built on at the September summit by establishing a true global partnership to guide international action towards achieving the Goals by 2015.

The trade negotiations within the World Trade Organization are slow in taking shape. In 2009, global trade fell by more than 12 per cent. Since the outbreak of the crisis, measures to get national economies back on their feet have been taken without consideration for their impact on the economies of developing countries, in particular the poorest. That has reduced the margin for action available to such countries to implement and apply trade policies to promote their development.

To enable international trade to play its role as a catalyst for growth and development, access to markets must be appreciably improved and the special and differential treatment of developing countries effectively implemented. These objectives cannot be achieved unless the current trade talks lead to results that ensure the centrality of development to the multilateral trade system, which is the very raison d'être for the Doha Round. We must also acknowledge that, in order to improve global financial and economic governance, we must first increase the participation of all developing countries in these decision-making processes.

In 2005, His Majesty Mohammed VI, launched the Initiative for Human Development, an ambitious national programme that reflects Morocco's commitment to achieving internationally agreed development objectives. In addition to the unwavering goal of reducing poverty and combating instability and social exclusion, the Initiative also seeks to help the targeted population to assume responsibility for their own future by promoting stable income-generating activities, access to basic social services, and the strengthening of women's rights. The Initiative was accompanied by appropriate funding and a budgetary framework in order to ensure its implementation. In our attempts to overcome poverty, Morocco reached the MDG targets in 2007.

In conclusion, I would like to reiterate the importance that my country attaches to the need to implement a genuine global partnership for development, based on specific and quantifiable goals in order to assure that we achieve the MDG goals by the 2015 deadline.

The Acting President: I give the floor to the representative of Nicaragua.

Mrs. Rubiales de Chamorro (Nicaragua) (*spoke in Spanish*): At the outset, my delegation would like to align itself with the statements made by the

representatives of Yemen and Chile on behalf of the Group of 77 and China and the Rio Group, respectively.

In holding this fourth High-level Dialogue on Financing for Development, it is essential that we evaluate recent events. We all know that the biggest challenges facing humankind are closely linked to the development of our peoples. For Nicaragua, the fundamental problem is that the existing economic model was not conceived for the well-being of humankind, but was structured for the accumulation of wealth by a very small minority.

Only a few months ago here in the General Assembly, we noted the fact that the gross domestic product of the world's 40 poorest countries was less than the total sum of wealth of the world's seven richest individuals, providing resounding evidence that this system serves the interests of a minority. Since then, the financial and economic crises — which originated in this region and from which we continue to suffer — also serve as irrefutable evidence of the sick state of the prevailing unjust and unsustainable economic model. This crisis is structural and systemic. It has affected our economy for many years in various ways.

We have had to deal with this crisis in the context of fiscal contraction. International financial institutions say that they are providing us lifelines, but in reality these lifelines are loaded with conditions. These conditions are unacceptable, and further underscore the need to reform the governance and policies of the international financial institutions so as to ensure that they no longer impede development, democracy, social justice and the independence of economic and social policies.

If that were to happen, it would certainly no longer be necessary to talk about financing for development. However, we done so since 1972, when the famous target of 0.7 per cent of gross national income was first mentioned, and have vainly reiterated that the development of our peoples is a pressing need and that, while every country shapes its own history, certain nations of this world have a historic debt and responsibility that they must acknowledge.

It is time that we move from endless speeches and rhetoric to specific acts. According to the latest data published by the Organization for Economic Cooperation and Development, financing at the level of 0.26 per cent of gross national income is very far from the objective of 0.7 per cent. In spite of the efforts of a few industrialized countries, most of the others lack the political resolve and continue to shirk their obligations. These same countries have spent billions of dollars to rescue their financial systems and this unfair economic model.

Eighteen trillion dollars have been spent, according to the figures disclosed by the Secretary-General, on rescuing the private banks; in reality, they were spent to rescue those who caused and who control debt, and thus largely control the destiny of the most dispossessed people on this planet. Eighteen trillion dollars is 225 times more than what was spent last year on official development aid. What a sorry irony this has been and continues to be. The most powerful are rescued and the neediest hear only empty promises.

It is nothing new to say that the weak follow-up to the Monterrey Consensus that brings us together will remain mere rhetoric without the backing of true political resolve. Meanwhile, we continue to ask for binding content and substance, and to struggle to ensure that economic recovery is not a return to the past and the economic and financial structures and processes of exclusion, inequality, concentration, speculation and volatility inherent to the existing international economic order. We continue to endeavour to build a new global economic order based on inclusion, social justice, solidarity, ethics and stability. Only thus, and without charity, will we be able to meet the development challenges of our peoples.

The Acting President: I call on the representative of the Plurinational State of Bolivia.

Mr. Solón-Romero (Plurinational State of Bolivia) (*spoke in Spanish*): In my statement, the Plurinational State of Bolivia wishes to focus on three points: first, the existing inequalities in official development aid; secondly, the paradox of the fact that financing currently flows from the South to the North; and thirdly, what we need to promote is a conference to discuss how the South can stop financing the North and start to use its own resources in order to finance itself.

Concerning the first point — the issue of official development aid and existing inequalities — we all know that current official development assistance constitutes some $121 billion, which constitutes scarcely 0.3 per cent of gross national income instead

of the 0.7 per cent pledged by the developed countries. If we compare these $121 billion to the budget that these countries allocate to defence and military spending, we find that this figure scarcely represents 8.2 per cent of the funds that are allocated to defence and security. Current military expenditures amount to $1,473 billion, largely concentrated in developed countries.

Not only does official development assistance fall short of the commitments made and pale in comparison to the money that is allocated to other sectors such as defence, but also, once it reaches developing countries, it arrives with strings attached and, in many cases, does not constitute State-to-State cooperation. The recipient States do not control the uses that these funds are put to, the areas in which the money is to be invested or who the funds are managed by. There have been cases in which money that is provided through so-called official development assistance has been used to fund political opposition to Governments that were legally elected by the people.

This inequality is all the more upsetting when we compare it to the financing that the South is providing to the North. I will cite only three of the mechanisms through which the South finances the North.

First, according to data provided by the United Nations itself, net capital flows from developing countries and economies in transition amounted to $864 billion in 2008. That is to say that we have given the North $864 billion and received $121 billion in official development assistance. Who is financing whom?

However, we are talking not just about the transfer and net flow of capital, but also about currency reserves. The currency reserves of developing countries, which amount to several trillion dollars — according to some estimates, $2.4 in 2006 — are chiefly located in developed countries. This is a second source of financing that we provide to the developed countries. If we look at just the interest accumulated on the reserves of developing countries that are kept in developed countries, we find that it clearly exceeds the figure of $121 billion currently provided through official development assistance to our countries.

The other issue is the negative balance in foreign debt payment of many countries. These are paying much more than they currently receive in credits or foreign financing. These figures show that the South actually has vast resources that are far greater than what it currently receives, including the 0.7 per cent that we have often called for.

The Plurinational State of Bolivia therefore believes that what we need to call for is indeed a conference on financing for development. The basic aim of such a conference, however, would be to discuss how the South can stop financing the North. We must discuss how the South can develop mechanisms to control capital flows by levying taxes on capital that migrates to the North, by imposing quantitative limits on capital flows, and by creating mechanisms that will enable us to keep our reserves in the South so that the interest they generate can provide financing to the South. We must also discuss other measures that, as a result of regional integration processes, will strengthen financing for the South with the resources that the South is currently losing by allowing them to migrate northwards.

The Acting President: I give the floor to the representative of the United Kingdom.

Mr. Parham (United Kingdom): At the outset, I should affirm that the United Kingdom aligns itself fully with the statement that was made earlier by the representative of Spain on behalf of the European Union.

I welcome this High-level Dialogue to consider our shared promises to the world's poor. Since the last such meeting, the United Nations has organized the Doha Follow-up International Conference on Financing for Development and the subsequent Conference at the Highest Level on the World Financial and Economic Crisis and Its Impact on Development. These important conferences, as well as the 2009 Economic and Social Council decision to strengthen the financing for development follow-up, have ensured that financing for development has stayed high on the international agenda.

This momentum must continue. We now have just five years before the deadline for meeting the Millennium Development Goals (MDGs). I think we can all agree that, for better or for worse, 2010 will represent a turning point on poverty.

The summit in September will be a vital opportunity to which there are two possible outcomes: either the summit will result in an historic global development action plan to deliver the MDGs by 2015,

or we will stand by and watch as progress slips further and further behind target, millions are denied the basic rights to food, education and equality, and the credibility of collective international action in the fight against poverty is irreparably undermined.

We need to come to the summit in September with strong political will and the courage to go beyond business as usual. We need a comprehensive plan of action on the MDGs that takes into account the whole range of issues that have an impact on the achievement of the goals, including financing, trade, climate change, conflict and fragility, economic growth, aid effectiveness and the empowerment of women, to name but a few.

The need for an evidence-based approach is clear, and I am confident that the Secretary-General's report (A/64/665) and other important inputs, including the United Nations Development Programme international assessment of what is needed to meet the MDGs, will provide a sound evidence base for an action plan to deliver the MDGs by 2015. The MDGs will not be achieved without adequate financing for development. Our commitment to the Monterrey Consensus as a whole — including mobilizing and increasing the effective use of financial resources, foreign direct investment, private flows, trade and debt relief — is key to making significant progress on the MDGs.

Innovative financing will play an important role in helping us achieve the MDGs. For example, in the health field, the United Kingdom is contributing $485 million to the $1.5-billion Pneumococcal Advance Market Commitment to encourage pharmaceutical companies to produce effective and affordable vaccines. The Advance Market Commitment could save up to 7 million lives by 2030.

The United Kingdom has also committed £1.38 billion and is looking to provide a further £250 million to the International Finance Facility for Immunization. The Facility uses predictable long-term funding commitments from other donors to issue bonds on the international capital markets and thereby raise money up front for immunization and save lives now. By the end of this year, funds provided by the Facility will have helped to prevent more than 4 million future deaths. That is not words, it is action, making a real difference to real people in real time.

The private sector will also have an important role to play in bringing a different perspective and its own success stories to the table and in challenging Governments to think about how we can work with the private sector to maximize the positive impact businesses can have on the MDGs through their work in developing countries.

But while we are taking a holistic approach to this, we should be clear that meeting previous commitments to provide official development assistance is one of the key pillars of our efforts. Globally, we have seen historic increases in such assistance since the Gleneagles commitments were made. Aid to developing countries in 2010 will reach record levels, after having increased by 35 per cent since 2004; and it is continuing to increase.

This is an achievement, particularly in spite of the world financial crisis, but much more needs to be done. Just last month, the Development Assistance Committee of the Organisation for Economic Cooperation and Development published estimates for 2010 official development assistance that predict a $21-billion shortfall between what donors promised in 2005 and the projected 2010 results. It is essential that all donors act to live up to their commitments.

I am proud that the United Kingdom is meeting its commitments. We have published a draft bill to make binding our commitment to reach the target of official development assistance equal to 0.7 per cent of gross national income from 2013. This is our demonstration of our lasting commitment to 0.7 per cent. If enacted into law, it would give our partner countries further assurance that the United Kingdom will deliver on its commitments, and provide additional encouragement to other donor countries to achieve the 0.7 per cent United Nations target.

As the economic crisis has shown, official development assistance has been a reliable source of financing at a time when remittances and private flows have fallen. It can also help to leverage other resources in our partner countries that will ultimately improve growth and productivity.

As we scale up efforts to deliver financing, we must make sure we are delivering better aid. As we recognized in Doha, significant progress has been made since the Monterrey Consensus called for recipient and donor countries to strive to make official development assistance more effective. The Paris Declaration on Aid Effectiveness has led to a fundamental shift in the international approach to aid,

but more needs to be done. To drive better results, we need to improve the transparency and accountability of the ways in which aid is managed and delivered. We welcome the contribution of the International Aid Transparency Initiative, which seeks to make aid information more available so that citizens can hold their Governments to account. We also look forward to the 2010 United Nations Development Cooperation Forum as a platform for greater accountability between donors and partner countries on aid effectiveness.

This year, as we reach a turning point on poverty, meeting aid effectiveness commitments is vitally important to getting the most out of all our financing. The United Kingdom looks forward to the summit on the Millennium Development Goals, which will be a moment when all these elements will come together to produce a lasting contribution to development.

The Acting President: I call on the representative of Lebanon.

Mr. Jaber (Lebanon): At the outset, I should like to congratulate the President of the General Assembly on his stewardship of the High-level Dialogue on Financing for Development and to thank the Secretary-General for his report entitled "Follow-up to and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development" (A/64/322).

My delegation associates itself with the statement delivered by the Permanent Representative of Yemen on behalf of the Group of 77 and China.

The 2002 International Conference on Financing for Development adopted the Monterrey Consensus and reached a broad understanding on the establishment of a global partnership for development. The Monterrey Consensus presented these development goals under six main chapeaux, including mobilizing domestic financial resources for development; mobilizing international financial resources — foreign direct investments and other private flows — for development; promoting international trade as an engine for development; increasing international financial and technical corporation for development; addressing external debt; and addressing systemic issues, including enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development.

The Monterrey Consensus further emphasized that achieving the Millennium Development Goals (MDGs) required a new global partnership for sustainable development between developed and developing countries. The 2008 Doha Declaration on Financing for Development reaffirmed this partnership and, importantly, highlighted that mobilizing financial resources and putting them to effective use were integral not only to the success of this partnership, but also to the timely achievement of the MDGs.

The Doha Conference also acknowledged that financing for development was facing new challenges, such as the financial crisis and its aftermath, the food and energy crises, and climate change, among others. Solving these challenges will require concerted action by developed and developing countries.

Against this backdrop, my delegation wishes to make the following remarks. First, it is true that developing countries have the primary responsibility for mobilizing domestic financial resources for their own economic, social and environmental growth in a sustainable way. It is also true that sustained and equitable economic growth is a prerequisite for poverty reduction and that international investment and trade can be important sources for sustaining that development.

However, the development achievements and years of hard work by the developing and least developed countries have been negated since the outbreak of the financial crisis, which they neither caused nor instigated. Their economies have suffered from drops in exports and capital outflows, scant fulfilment of official development assistance (ODA) commitments by developed countries, increasing costs of external financing, and growing rates of unemployment. They have thus experienced major setbacks in their efforts to achieve the MDGs.

Against this backdrop, developing countries are in dire need of assistance from the international community before their economies become further curtailed. In this connection, it becomes even more necessary for the leaders of the Group of Eight, and the larger Group of 20, at the summit to be held in Canada in June, to genuinely and honestly deliver on their international commitments to allocating, in a timely manner, 0.7 per cent of their gross national income to ODA, and to provide further debt relief to the countries of the Heavily Indebted Poor Countries Debt Initiative,

keeping in mind that debt relief should not come at the expense of other components of ODA. Moreover, ODA should be provided without stringent conditions.

Secondly, trade is an essential engine that drives the recovery of the global economy. However, the collapse in import demand in developed countries following the outbreak of the financial crisis triggered a decline of almost 13 per cent in world trade volume in 2009. These events have hit commodity manufacture and export in developing countries hard, and have caused significant declines in incomes and commodity export revenues in those countries.

Also, since the outbreak of the current financial crisis, trade protectionism has risen noticeably. This, in turn, gravely impedes the global economic recovery process and damages the interests of developing countries. Trade protectionism should therefore be rejected by all countries.

Thirdly, the crisis and its aftermath have highlighted the long-standing systemic flaws and imbalances in the international financial system, and its supervision and architecture. In particular, it has demonstrated the inadequacy of the dollar-based international monetary system, invigorated discussions on alternative reserve currency arrangements and the creation of a more stable international monetary system, and exposed important inconsistencies amongst national regulatory systems and their tendency to privilege domestic interests and ignore the adverse international spillover of their actions to the whole world.

Therefore, rebalancing the world economy and ensuring that responses to the international crisis commensurate with its respective scale, depth and urgency, require at the outset reforming global economic governance to reflect the realities of the new century. This needs to be complemented by international financial system reform, which strengthens the representation and participation of the developing countries in the international financial institutions, with a view to restoring the legitimacy and effectiveness of the global economic governance institutions.

The six main chapeaux of financing for development stipulated by the Monterrey Consensus are an integrated whole and should be implemented in a comprehensive and holistic manner. These chapeaux include principles, policies and goals that remain relevant to date, despite the complex and grave international economic developments. What we need today is to adjust our priorities appropriately and improve our relevant policies to accommodate the new global realities.

Finally, the Monterrey Consensus provides a comprehensive paradigm to address the issue of financing for development. My delegation is hopeful that this meeting will review past achievements, identify the lessons learned and pool the wisdom of all participants to make international cooperation on financing for development more effective and to help other developing countries to meet the MDGs, the subject of the meeting which will convene in September this year.

The Acting President: I give the floor to the representative of Argentina.

Mr. Argüello (Argentina) (*spoke in Spanish*): At the outset, Argentina associates itself with the statements made by the representatives of Yemen on behalf of the Group of 77 and China and of Chile on behalf of the Rio Group.

As we approach the time for the final assessment of the excellent intentions that the international community held at the time of the Monterrey Consensus, the evaluations and diagnoses that we may produce will undoubtedly have a greater clarity and importance and must be transformed into action with a pressing sense of urgency. We all know that it will be very difficult to achieve the Millennium Development Goals, in particular to achieve the central objective of reducing poverty to half, without a significantly greater effort than that which has been made to date, given that many policymakers have been concentrating on other priorities.

But among so much uncertainty, we see glimmers of hope. For example, the unexpected upheaval of the world financial centres has forced them to consider revising the international financial architecture from a more sophisticated perspective. The crisis has shown that the absence of financial regulation is equally or even more dangerous than excessive regulation, that State presence and intervention are essential to guaranteeing stability, and that without a more effective coordination of macroeconomic policies in the international arena, global imbalances have negative consequences for everyone.

Mr. Cabral (Guinea-Bissau), Vice-President, took the Chair.

In this sense, although far from being an ideal process, policy coordination of the economies which most impact the system in the framework of the Group of 20 assured a rapid response commensurate with the magnitude of the risk, and delivered concrete results. This dynamic allows us to hope to build, with the international community, an international finance architecture that is more democratic, more conducive to the harmonious development of countries, and more stable.

The stability of the world economy and the resumption of sustainable growth have a direct impact on the flow of development aid. As the Secretary-General's report indicates, latest estimates show that a negative reversal of 1 per cent in the growth of donor countries' gross domestic product reduces by 8 per cent the aid budget five years later.

Over and above past performance that clearly substantiates those numbers, it is of vital importance that donor countries, taking into account the lofty Millennium Development Goals, renew through deeds the commitments they made in Monterrey, in the 2008 Doha Declaration, at the Group of Eight summit in Gleneagles, and other instances where they have committed aid for development.

At a time when the crisis is strongly affecting employment in the centre and at the periphery of the global economy, it is also necessary, in view of the Millennium Development Goals, that developed countries abstain from taking restrictive measures that may affect migrant workers and foreign residents in a discriminatory way. This approach must take into account not only basic considerations of justice and fairness, but also the fact that, in terms of financial flows and development financing, remittances amount to three times the value of official development assistance and are more stable in times of crisis.

It is important to stress the need to reverse the procyclical bias that the Bretton Woods institutions have repeatedly adopted in the past. For example, in the specific case of Argentina, our country enjoyed strong positive net flows in the 1990s — years of doubtfully sustainable growth — as well as great international liquidity, while in the four years following the greatest crisis of its modern history, it had to face severely negative net flows from the international institutions. We believe that this tendency can be reversed with more proactive participation of the developing countries in the governance of the international credit organizations.

Regarding the reform of the international financial institutions, the declared objective of granting greater voice and representation to developing countries cannot be limited to symbolic changes. The process reforms regarding the voting power of the Bretton Woods institutions would give an additional five percentage points to developing countries as a group, leaving them below the 50 per cent necessary to balanced representation of the developed countries. Moreover, it is not appropriate merely to provide greater voting power to some developing countries at the expense of others. In sum, while there has been progress in this aspect, it is clearly not enough.

With regard to concrete action to mitigate the effects of the crisis, it is true that multilateral organizations strove to channel more financial resources to debtor countries in 2008 and 2009, though they have not always guaranteed equal treatment to member States.

Finally, another pending task on the international agenda to achieve the Millennium Development Goals is related to the need to agree more fair and balanced international trade rules in terms of the interests of developing countries, whose exports are subject to multiple barriers to access to the main markets, to subsidies and to distortions that generate excessive volatility and adverse terms of trade compared with developed countries' exports.

The Acting President: I give the floor to the representative of Qatar.

Mr. Al-Shafi (Qatar) (*spoke in Arabic*): I am grateful to the President for convening this important High-level Dialogue on Financing for Development. At the outset, I would like to express our appreciation to the Secretary-General and to the States that have sent high-level representatives to the Dialogue. I also welcome the representatives of the founding partners of the financing for development process, as well as those of the business sector and the international community.

Our meeting today is of particular importance as it follows up on the significant results achieved at Doha in 2008. Moreover, the outcomes of this

Dialogue will make a major contribution to the United Nations summit to be held in September to review progress towards achieving the Millennium Development Goals (MDGs).

Before the Doha Conference, the Monterrey Conference was a milestone in international cooperation for development. At that Conference, developed and developing countries met under the auspices of the United Nations in order to establish a new and courageous partnership for development. Developing countries assumed responsibility for their own development and for mobilizing national resources and expressed their commitment to developing financial, economic and social policies conducive to achieving that goal. Furthermore, donor parties agreed to support developing countries by increasing and improving aid, offering debt relief and harmonizing trade exchange, in addition to establishing more equality in the rules of the international system and creating a favourable international environment for development. Similarly, the agreement reiterated the importance of increased and predictable official development assistance in order to achieve the development goals, including the MDGs.

Five years of international effort to achieve the Millennium Development Goals by 2015, we note that the record of our achievements is uneven. As United Nations reports indicate, it is regrettable that, while some developing countries have made good progress, many, in particular those in sub-Saharan Africa and in conflict-affected regions, are not on the right track. That should be a matter of concern to all of us because, ultimately, achieving the MDGs is essential not only to a better, healthier and more comfortable life for millions of people around the world, but also to international peace and security.

In 2005, participants in the World Summit in New York reaffirmed their commitment to the principles of international partnership set out in Monterrey in 2002. If effectively implemented, the existing commitments to financing for development are likely to help all developing countries, including those in Africa, to achieve the MDGs. However, both sides of the partnership must deliver on their responsibilities in the spirit of the Monterrey Consensus, which was reaffirmed in Doha. Developing countries must adopt comprehensive national strategies and prepare long-term and credible investment plans, while donor countries should accelerate their plans to increase assistance and set time frames for implementing their commitments to developing countries. That would enable those countries to develop their macroeconomic frameworks.

As for international trade, failure to reach an agreement on the Doha Development Round greatly disappointed developing countries, in particular the least developed, which had placed great hopes on the Round. Significant challenges remain in following up on multilateral trade negotiations in the Doha Round. All countries involved in the talks should seek to establish an open, non-discriminatory and fair multilateral exchange system.

Today's Dialogue is being held in the midst of a severe and persistent global financial and economic crisis unprecedented since the Great Depression. The crisis started in developed countries but has affected many developing countries that played no part in causing it. It has threatened many of the achievements made in the area of financing for development. We therefore need to join and redouble our efforts to address the new emerging challenges, including those resulting from the financial crisis or from other issues that have affected the international development agenda, including the energy and food crises and climate change.

Although we are witnessing what we believe to be early signs of recovery from the crisis in developed countries, its effects are still being strongly felt in most developing countries, which are suffering from the drop in financial, investment and trade flows and facing real prospects of decreased flows of official development assistance. We must not be fooled by such indicators, as the growth achieved remains weak and the economic balance of most developing countries is still at a critical stage. Their decreased exports and the freeze in available credit could well cause the outbreak of a new debt crisis. In the absence of financial surpluses allowing those countries, like the developed countries, to develop financial economic recovery packages, the financial, economic and social challenges have increased in severity in the developing countries.

Convinced of the importance of international solidarity to help achieve the MDGs, not only have we allocated 0.7 per cent of our gross national income to official development assistance, but we have also given provided assistance through bilateral channels and the

United Nations and its specialized agencies. Qatar has also donated $10 million to the Democracy Fund, in addition to the bilateral and emergency relief assistance we generously provide in emergency and disaster situations.

In addition, in 2001 the State of Qatar hosted the fourth Ministerial Conference of the World Trade Organization, which resulted in the Doha Round. In 2006, Qatar hosted the International Conference of New or Restored Democracies. It also hosted the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, which took place in Doha from 30 November to 2 December 2008. Qatar made great efforts in preparing for the Conference and in providing a climate conducive to honestly assessing the extent of implementation of the Consensus; identifying challenges, obstacles and emerging issues; and candidly discussing the initiatives proposed to achieve the implementation of the agreements, pledges and commitments made by development partners.

In conclusion, I would note that the Qatari mediation aimed at achieving peace in Darfur has begun to bear fruit. Two agreements — a ceasefire agreement and an agreement of principles to achieve peace in Darfur — have been signed. In order to support development and reconstruction efforts in the region, His Highness Sheikh Hamad bin Khalifa Al-Thani, the Emir of Qatar, announced on 23 February 2010 the establishment of a Darfur development bank endowed with a capital of $2 billion. The bank is open to contributions from countries and organizations that wish to advance development in Darfur.

The Acting President: I would like to appeal to speakers to be kind enough to make an effort to limit their statements to five minutes. We intend to finish the list today, and I would highly appreciate their cooperation.

I give the floor to the representative of Nigeria.

Mr. Onemola (Nigeria): Nigeria aligns itself with the statements made by the representatives of Yemen and Equatorial Guinea on behalf of the Group of 77 and the African Group, respectively.

We fully embrace the main focus of this Dialogue, under the theme "The Monterrey Consensus and Doha Declaration on Financing for Development: status of implementation and tasks ahead". We are confident that the Dialogue will result in a salutary outcome that will justify its raison d'être.

Nigeria recalls with fondness that, at its inception, the Monterrey Consensus held great promise for global economic growth and development, especially for the developing countries. We had imagined that the hope embedded in this platform was not misplaced, as it was based on a collective desire and a perceptive understanding of the goals to be achieved. The intentions were genuine and expectations justified, and true to the spirit and content of the document, the economies of most developing countries exhibited some modest growth, which soon virtually evaporated in the face of unforeseen challenges.

A similar pre-Monterrey enthusiasm presaged the convening of the Doha Review Conference in 2008, which was held not only to redress obvious setbacks and give impetus to the implementation of the Monterrey Consensus, but also to chart the way forward in implementing and exploring new and innovative ways of generating resources for development. This had become even more imperative as a result of serious factors inhibiting development, including a convergence of global crises — the energy, food and financial crises — and their culmination in the global economic meltdown that has since plunged the entire world into a deep economic recession.

The coupling of these crises with the pervasive effects of climate change has since posed the greatest-ever challenge to the attainment of the internationally agreed development goals, including the Millennium Development Goals (MDGs). Doha therefore became another opportunity to reset the global financial agenda. Regrettably, its outcome, the Doha Declaration, may not have passed the litmus test of total acceptability.

Nigeria, like many other developing countries, continues to contend with MDG implementation gaps, the most daunting aspect of this challenge being the mobilization of the resources required to close them. We have therefore responded by implementing a seven-point development agenda aimed at bridging the gaps through infrastructure development, the promotion of food security and capacity-building. In our determination to finance these gaps, various models, including a deliberate diversification from a mono-

product economy relying on income from oil and gas, have also been applied with varying degrees of success.

However, to effectively tackle the development challenges that face developing countries, including Nigeria, we call for a complementary external environment in which additional resources could be derived on the basis of genuine international partnerships. The following factors would be present in such an environment.

There would be a demonstrable shift from promises to actual and concrete delivery on commitments. Access to aid facilities would not be circumscribed by the imposition of strict conditions and aid would emphasize and target development-oriented projects. There would be a speedy conclusion of the Doha Round of trade negotiations that would provide for the elimination of all trade-distorting practices. There would be efforts to eliminate the agricultural subsidies applied in favour of farmers in developed countries, to extend concession to goods from developing countries, to promote Aid for Trade and to guarantee against a relapse into a regime of protectionism.

A debt sustainability policy would be adopted in favour of developing countries, while outright debt cancellation to heavily indebted poor countries, particularly the least developed countries, and Africa would be considered as a priority. There would be a massive injection of foreign direct investment and capacity-building assistance to the economies of developing countries so as to improve their domestic productive capacity with impact on domestic resource mobilization. Due cognizance would be given to the linkage between peace, security and development. There would be an environment conducive to the flow of remittances. There would be a legally binding agreement on climate change that would pave the way for the enhanced implementation of the mitigation and adaptation measures that are urgently required. The benefits of South-South cooperation would continue to complement other forms of development resources.

Nigeria urges an expeditious reform of the international financial system that would enable its institutions to play their roles more efficiently, effectively and with a high degree of transparency and accountability in their structures and functions. We hope that such reforms will provide for the empowerment and enhancement of the delivery capacities of regional financial institutions in order to enable them to support development activities in developing countries, especially in sub-Saharan Africa.

While acknowledging the ongoing reforms of the Bretton Woods institutions, we stress the importance of ensuring that the end product addresses the concern for the increased representation, enhanced voice and effective participation of developing countries.

Nigeria also wishes to emphasize the necessity of an improved and invigorated international surveillance system — both bilateral and multilateral — that would ensure that the world is not taken unawares and plunged into a crisis of the magnitude of the current one.

Finally, we recognize that, but for the central role played by the United Nations, the only truly globally inclusive body, and the United Nations system, with its vast global network, financing for development as a major item on the international agenda would have been merely wishful thinking. It is for this reason that we urge it to assume a more significant role in ensuring that regulatory and monetary authorities routinely function effectively in order to avoid malpractice in the financial sectors.

Consequently, Nigeria reaffirms its commitment to the mandate of the Ad Hoc Open-ended Working Group to follow up on the issues contained in the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, which took place in June 2009.

The Acting President: I give the floor to the representative of Pakistan.

Mr. Sial (Pakistan): My delegation would like to align itself with the statement made by the representative of Yemen on behalf of the Group of 77 and China.

As we engage in this High-level Dialogue to review the status of the implementation of the Monterrey Consensus and the Doha Declaration and to reflect on the tasks ahead, the fundamental questions before us are simple. What has happened thus far on the path decided at Monterrey and reviewed in Doha? Has anything changed since Doha? Is the trajectory of change positive or negative? What should be done to further advance the implementation of the goals approved at Monterrey and reviewed in Doha?

This is truly an extraordinary time. As the world inches out of the worst financial crisis since the Great Depression, the global scenario for development financing remains bleak. The World Trade Organization trade negotiations have been deadlocked now for almost nine years. Efforts to devise a global action plan to combat climate change also face an impasse after suffering a setback at the fifteenth Conference of the Parties to the United Nations Framework Convention on Climate Change in Copenhagen.

The multilateralism that the United Nations represents is under attack and, regrettably, there is an unabashed preference for moving decision-making to select, limited groups in the name of speed and efficiency at a time when the world actually needs global solutions to global crises. As if that were not enough, the world is also going through a development emergency, triggered by the convergence of a series of crises relating to finance, food and fuel.

The consequences of these crises are real, with a pronounced impact on the achievement by the poor countries of internationally agreed goals, including the Millennium Development Goals. To list a few, an estimated 84 million people will fall into poverty because of the crises. Unemployment is on the rise. Net financial capital flows to developing countries have declined and are expected to remain negative in 2010, and foreign direct investment flows to developing countries decreased by 30 per cent in 2009, besides remaining concentrated in only a small number of countries.

The shrinking global import demand and serious squeeze in trade financing for developing countries have reduced the volume of world trade by 13 per cent. Worse still, the threat of trade protectionism is on the rise. Developing countries, as a group, continue to provide net official transfers to developed countries at the level of $568 billion per annum. Developing countries face renewed fiscal stress and challenges that pose serious threats to their debt sustainability and the capacity to service or roll over external debt.

The good news is that the world economy is on the mend, although the recovery is uneven and tentative and conditions for sustained growth are still fragile. Those positive signs need to be further nurtured and sustained. Reviving the spirit of Monterrey and revisiting the lessons learned at Doha on the implementation of commitments made is what we believe can bring us back to the promise and hope of a new world committed to a partnership geared at achieving the common goals of growth, prosperity and sustainable development.

Luckily, the Outcome (resolution 63/303) of the United Nations Conference on the World Economic and Financial Crisis and its Impact on Development, held in New York in June 2009, pursuant to a decision taken at the Doha Review Conference, provides us with the framework, direction and timelines for the action needed to urgently combat the adverse impacts on development of the global financial and economic crisis.

However, unfortunately, despite the urgency surrounding the Conference and the importance of the decisions taken, almost a year down the road we have not even started working on the follow-up and implementation of those decisions, including the operationalization of the Ad Hoc Open-ended Working Group.

The situation must be corrected. The world must move ever faster to implement the decisions and the commitments made by us all at the United Nations conferences and summits. That is critical to building trust and confidence in the system and to forging a genuine global partnership for development.

We believe that, through the Ad Hoc Working Group, we can further the Monterrey and Doha agenda by advancing and/or accelerating actions on the decisions taken. We believe that this exercise is also important as we prepare to review the progress, or lack of it, in the achievement of the Millennium Development Goals at another United Nations summit in September this year.

On the question of redesigning the global financial and economic architecture, Pakistan believes that it should be underpinned by the following principles.

First, the new architecture should be United Nations-inclusive, with the Organization signifying global participation and legitimacy. Secondly, those globally acceptable, legitimate and encompassing institutions and responses should be built around the imperatives of need and equity. Thirdly, the new global compact for development, growth and prosperity should be premised on a people-centric approach,

based on a mix of policies designed to ensure the welfare and well-being of people. Lastly, it should be based on a carefully crafted balance between the role of Governments, markets and civil society.

The Acting President: I give the floor to the representative of Norway.

Mr. Wetland (Norway): As the crisis appears to be gradually receding, we possess new knowledge about the capacity of our institutions and the limited policy space prevailing in a large number of countries. Mobilizing resources for development is primarily each and every country's own responsibility, and developed countries must honour their partnership obligations. They must honour existing aid commitments, complementing other sources of development financing.

In the fall of 2008, shortly after the fall of Lehman Brothers, Norway announced that we would be increasing our official development assistance (ODA) for 2009 beyond the mark of 1 per cent of gross domestic product, and we increased the aid even further in the course of 2009 in an effort to help cushion the burden of less fortunate countries. Unfortunately, many countries that most desperately need to mobilize resources are suffering from substantial illicit outward financial flows. The assessment of the magnitude of those flows differs. They are assumed to amount to several times the total annual ODA. Assessments range from three to 10 times.

The outward flows include potential revenue lost by the country of value creation through mispricing in trade among international business partners or between branches of international corporations. Such illicit financial flows represent shackles on development that weaken the tax and income base of the country of origin. Fighting such mispricing requires a wide range of international and national measures. At the national level, steps must be taken to combat corruption and to enhance the capacity and effectiveness of the tax authorities and police branches focusing on white collar crime.

As an example of policies that work, let me explain one of the important reasons why Norway, as a petroleum exporting country, by and large has avoided the international theft represented by mispricing. We do not tax oil companies according to the price set in commercial contracts in each and every deal. We tax the trade in oil based on an officially determined norm price. The norm price is based on available information regarding the market and the various cost structures faced by producers. This system of a fixed norm price deprives companies of the incentive to misprice their product and ensures stable revenues for the Government. I should add that our taxation rate for oil companies is nearly 80 per cent. Thus, the ground rent stays in Norway for the benefit of present and future generations.

As at the national level, good global governance requires transparency. Norway therefore welcomes the current work to curtail the harmful and non-transparent practices in tax havens, increase the exchange of information, and require financial institutions to know their customer. A more transparent financial market in which economic actors have access to relevant information can only improve economic efficiency and will benefit us all — developing and developed countries alike.

It is essential that health and education policies be upheld and improved as we struggle to recover from the crisis. Scaling down or holding back on critical investments in human capital comes at an extremely high cost to all societies. None of us can afford to squander the human resources upon which the future will be built. In particular, now, amidst the storms of diminishing returns, it is more essential than ever to empower women and invest in their health and education.

We can read it in the charts of global economic reports — the countries that are most competitive and yield the best economic performance are those that offer women the most equal opportunities. And those countries that manage to overcome existing cultural impediments to such policies — be it in the North or the South — are going to grow and prosper. Women must be included on equal terms in processes where the future and the financial needs of their country are being negotiated and decided upon. Women must have access to financial resources, whether funds are mobilized domestically or through international cooperation. Budgets must address women's needs and priorities, and funds must be accessible to women's organizations. In addition, there is a demand for women-only funds.

In dealing with the economic recession, it is important that a gender perspective be kept in mind in

all policy and decision-making to ensure that both sexes benefit equally from measures to stimulate growth and strengthen the economy.

The Acting President: I give the floor to the representative of Botswana.

Mr. Gaumakwe (Botswana): In response to the call for brevity, I will skip the first six paragraphs of my statement. However, I wish to associate my remarks with the statement delivered by the representatives of Equatorial Guinea and Yemen on behalf of the African Group and the Group of 77, respectively.

In 2000, we said that we would spare no effort. After 10 years of pursuing this objective, the conditions of more than a billion people have not improved, but have instead deteriorated. Moving forward to 2015, there is a need for stronger donor commitment and support in the fulfilment of the pledges made to the developing countries. In making this appeal, we are also mindful of the importance of maintaining consistency in the message about mobilizing the domestic and international resources necessary to financing for development.

However, my delegation is of the humble opinion that a sizeable share of the shortfall that we are experiencing in the realization of international agreed goals, including the Millennium Development Goals (MDGs), is a result of promises that were not kept in the fulfilment of donor pledges and commitments.

My delegation welcomes the announcement by some development partners who have proposed concrete and practical steps to scale up efforts and provide new and additional resources towards development support for poorer nations in ensuring the attainment of the MDGs. This includes many developed countries' attainment of the target of devoting 0.7 per cent of their gross national income to official development assistance (ODA) to developing countries by 2015, and reaching the level of at least 0.5 per cent of gross national income for ODA by 2010.

My delegation therefore fully subscribes to this new impetus and will join the call for an action plan that would drive the MDG delivery process over the next five years as a matter of urgency. We are quite optimistic that, during the next five years, the positive developments that have been experienced individually and collectively by developing countries in the areas of enhancing governance structures and institutions, creating appropriate conditions for investment, and laying solid foundations for business and economic growth will be met with corresponding measures to make such initiatives as Aid for Trade operational. As a demonstration of goodwill and good faith, more flexibility in the Doha Round of negotiations should be expected.

It would be remiss of me not to mention the plight of many countries, such as my own, and the setbacks experienced in our development agenda. The result of the promises of the 2002 Monterrey Consensus on financing for development, the Paris Declaration on Aid Effectiveness, the thirty-first Group of Eight Summit at Gleneagles and the $1.1-trillion programme aimed at revitalizing the world economy, announced by the Group of 20 summit of April 2009, have yet to be felt in many developing countries, including Botswana.

Increasing both the quality and the quantity of aid still excludes most of us in the developing world, especially middle-income countries. While my delegation commends the attention that is being given to the least developed countries (LDCs) and the assistance targeting heavily indebted countries to address their debts effectively, it is also our view that donors should adopt more flexible eligibility criteria for financing for development in the context of the special needs of landlocked developing countries, small island developing States and middle-income countries.

In the recent 2010 United Nations Development Programme report, entitled Beyond the Midpoint, Botswana is one of 30 countries used as a case study. My delegation welcomes the insights provided by the report regarding the modest achievements and transformation of Botswana from one of the world's poorest in 1966 to its present status of middle-income country since 1994, which is largely due to sustained economic growth averaging 9.7 per cent over a 40-year period.

This was made possible by, among other things, the contribution of the mineral sector to our economy, a prudent management of limited resources and effective institutions supporting our stability and governance practices. The modest accomplishments we have made as a nation have enabled us to extend basic

services, providing both physical and social infrastructure and generally contributing to the well-being of our people. The ambitious goal of reducing the poverty rate to zero and of achieving a higher level of secondary school enrolment by 2016 was encapsulated in the National Vision 2016 well before the MDGs were enunciated.

However, despite all of these efforts, which propelled the country closer to meeting most of the MDGs, Botswana remains on the borderline of being classified as middle-income, which therefore has made financing costly, without regard to higher poverty indicators and employment, which are still well within the LDC brackets.

Moreover, the vulnerability of economies such as ours, which are not well diversified and thus less resilient to external shocks, was laid bare during the triple global food, energy and, most recently, financial and economic crises. Botswana experienced an unprecedented loss of national income owing to a huge plunge in demand for our single largest export commodity, diamonds, as did the Government revenue that we use to finance development initiatives.

The impact of the global crisis on Botswana began to be felt during the last quarter of 2008, affecting total output — especially the mining sector's contribution to the gross domestic product — exports and Government revenues.

Botswana's foreign debt increased from 2.2 billion pula in March 2009 to 19.5 billion pula by September 2009, largely due to the budget support loan of $1.5 billion from the African Development Bank. As a result of the pressure imposed by the crisis, total exports plunged heavily by 26 per cent, from the 32 billion pula registered in 2008 to 24 billion in 2009. Total imports decreased by 5.8 per cent from 35.4 billion pula in 2008 to 33.3 billion in 2009. Consequently, a trade deficit of 9.3 billion pula was registered in 2009, as compared to a trade surplus of 2.5 billion in 2008. Foreign exchange reserves at the end of November 2009 stood at 60.9 billion pula, decreasing by 11 per cent from 68 billion in December 2008.

The figures that I have just enumerated show a painful picture of a country that had successfully pulled up itself from abject poverty, had developed functioning economic frameworks and infrastructure, and was not lacking in political will and foresight, but still suffered the devastating effects of the financial economic crisis originating from a small number of developed countries.

The scenario I have just outlined provides enough evidence that, for some countries, the pool of domestic resources was more than able to finance for development. We now stand at a precipice as we face an uncertain future, all because of the financial misbehaviour emanating from outside our borders. This is also compelling testimony that the international monetary and financial system needs to be profoundly reformed to meet the needs and changed conditions of the twenty-first century.

The crisis has exposed fundamental shortcomings in the international institutions and arrangements created to ensure financial and economic stability. Multilateral institutions should therefore ensure that they have a suitable array of financial facilities and resources to address any future crisis. Priority must be given to identifying and preventing potential crises and to strengthening the underpinnings of international financial stability, including monitoring activities for all economies. Early warning systems should not be restricted to low- and middle-income countries, but also be more rigorous when it comes to more sophisticated economies.

In conclusion, I wish to underscore the point that it is essential to ensure the effective and equitable participation of low- and middle-income countries in the formulation of the standards and codes of international financial institutions, as well as to enhance their role in decision-making, in order to strengthen the international dialogue and the work of these institutions as they address the development and concerns of countries.

The Acting President: I now give the floor to the representative of Belarus.

Mrs. Kolontai (Belarus) (*spoke in Russian*): Belarus welcomes the efforts of donor countries, bodies of the United Nations system and international organizations to ensure not only that is there no drop in official development assistance, but that it increases, as noted by participants in the Dialogue yesterday, including the representatives of Australia, Germany, Japan and other donor countries.

The specific nature of the current situation requires us all to focus on addressing current

challenges. We must enhance the coordination between Member States and international structures and deal with the basic factors hindering our success. We agree with the Secretary-General that setting new obligations in the context of achieving the agreed development goals will not improve the overall situation. On the contrary, devoting further resources and wasting more time will compromise the progress that has already been achieved. We now need innovative approaches to ensure resources to finance efforts to achieve the Millennium Development Goals.

We fully support the proposal to enhance targeted support to middle-income countries at this stage, as others have noted in this Dialogue yesterday and this morning. Attention to middle-income countries that have reserves for economic growth not only contributes to improving the economic situations in those countries, but could also create new donor countries in the future.

Belarus advocates the holding of meetings between the Economic and Social Council and the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development. Such meetings should help the financial institutions to respond more quickly to countries in need. We support the proposal to develop new credit mechanisms that can effectively assist Governments that are encountering financial problems, including middle-income countries.

We note the importance of reforming the international financial institutions. This work should take account of the view of all the world's key economies, developed and developing alike; the latter are not sufficiently represented in those financial organizations. The result of reform must enhance the legitimacy and effectiveness of those international regulatory bodies.

Instability in international capital flows is a threat to sustainable development. In that context, it is important that we develop mechanisms for the effective regulation of international capital flows in crisis situations. Such mechanisms could include both market and non-market instruments. Increasing the stability of financing for development could be helped by the establishment of a global reserve system to significantly strengthen the system of special drawing rights and by enhancing regional reserve funds.

In this regard, we support the Russian Federation's proposal urgently to strengthen regional mechanisms for providing development assistance. Belarus believes that Member States and organizations of the United Nations system must pay special attention to ensuring unswerving respect for the principles of free and fair trade that precludes recourse to protective measures or unilateral economic sanctions. It is important to bear in mind that such measures have an impact on the future and well-being of real individuals.

The Acting President: I now give the floor to the representative of Maldives.

Mr. Mohamed (Maldives): Allow me at the outset to congratulate the President of the General Assembly on his initiative to convene this important Dialogue. In our view, it is relevant, timely and necessary. As the most representative and universal international body, the United Nations has an important role to play as we embark on addressing and remedying the flaws in the international economic and financial architecture that have contributed to the present crisis.

Just one year after the new democratic Government took office on 11 November 2008, the Maldives has made considerable progress in transforming itself into a modern, liberal and outward-looking country. Important milestones witnessed in this short time include the transfer of power in November 2008 after the country's first multi-party presidential elections, free and fair parliamentary elections, significant improvements in press freedom, and the strengthening of fundamental rights. The Maldives is the first Islamic country in the world where a home-grown democracy movement has succeeded in bringing about such profound change.

The first democratically elected Government of the Maldives faces formidable challenges in delivering its pledges to the people in the midst of this difficult global environment. We face the worst economic situation of any country undergoing a democratic transition since 1956. I fear that we may not be able to deliver on our development plan without significant donor support.

We simply cannot afford to have people lose faith in the democratic process. Hasty fiscal expansion since the 2004 Indian Ocean tsunami has resulted in a runaway budget deficit, with public debt now standing at approximately 28 per cent of the gross domestic

product. The situation has been further exacerbated by the severe impact of the global financial, fuel and food crises, which have caused the tourism industry and exports to plunge, making external debt soar. Economic forecasts for 2009 to 2011 have been revised downward to between -1.3 per cent and -4 per cent. This dire situation has compelled the Government to seek an International Monetary Fund resource package aimed at a complete overhaul of our economic and fiscal policies.

The Government has taken serious measures to address the huge budget deficit, successfully beginning a stringent structural adjustment programme whose key goal is to balance the budget by the end of 2012. Though a demanding undertaking, it is one with significant positive implications for key national priorities such as sustainable social protection, strengthened infrastructure, the efficient and effective delivery of decentralized services, and decent employment for all.

All this is particularly critical given that Maldives is scheduled to graduate from the United Nations list of least developed countries in January 2011, which will entail a range of new challenges related to the removal of development and trade preferences. The Government remains highly cognizant of the need to balance the imperatives imposed by financial constraints and by the need to guarantee human rights and socioeconomic justice and nurture the democratic system.

Maldives, as a fragile low-lying small island ecosystem, is extremely vulnerable to the impact of climate change, especially the predicted sea level rise. Although the Maldives contributes minimally to global greenhouse gas emissions, it is among the most susceptible to the impacts of climate change. Various programmes designed for adaptation to the severe affects of climate change are being implemented, with specific focuses on coastal protection, freshwater management and coral-reef protection.

It is in the pursuit of a healthier and safer environment that Maldives has also pledged to be a carbon-neutral country within a decade. The objectives of this goal, inter alia, are to make energy supply secure and affordable, reverse the increasing dependency on diesel-powered electricity generation in Maldives and limit climate change, provide reliable delivery of energy, and guard against energy emergencies. We know that we cannot reverse the effects of climate change by acting alone, but we are sure that even the smallest country can do its bit to mitigate this threat and lead by example.

The Maldives delegation takes this High-level Dialogue as an opportunity to explore further avenues of cooperation with the international community, as well as to collectively find solutions to our challenges and issues. My delegation acknowledges the importance of this Dialogue and believes that our nations can use this forum to address their development and financial challenges meaningfully. Maldives believes that this is an important platform to discuss our development agenda with the international community, and we express our confidence that our efforts here will provide successful foundations and outcomes for our development efforts.

For Maldives and other vulnerable developing countries, collective global action is imperative to overcoming the huge economic and financial challenges facing our countries in meeting the globally agreed development targets.

For all these compelling reasons, Maldives seeks intensive engagement with the international community to ensure that the next three years result in the consolidation of democracy, significant economic restructuring, and a successful transition to middle-income country status. Without a doubt, all development policies and plans must work hand-in-hand to increase the resilience of the country to the many threats posed by the challenges of global climate change.

The Acting President: I give the floor to the representative of Mongolia.

Ms. Ochir (Mongolia): My delegation associates itself with the statements made by the representative of Yemen, on behalf of the Group of 77 and China, and the representative of Paraguay on behalf of the landlocked developing countries.

The Dialogue we are holding today is a timely one. It takes place at a time when the international community is preparing to take stock of the status of the achievement of the Millennium Development Goals (MDGs) at the high-level plenary meeting this fall, with only five years left until the target date of 2015 and at a time when the implementation of the MDGs

has felt the impact of an unprecedented global financial and economic crisis.

My delegation believes that the acceleration of the implementation of the MDGs entails identifying the shortfalls in policy and implementation to date, and identifying the areas in which both national Governments and the donor community could mobilize their resources in order to ensure that the MDGs are, in fact, met in full and in a timely manner.

Mongolia was hard hit by the global financial and economic crisis, mainly owing to the decrease in global commodity prices and a fall in demand. The Government undertook a number of policy responses, supported by our development partners, which resulted in a much more favourable outlook for this year. My Government is proceeding with a policy of better targeting social transfers, strengthening public finances — notably through the passage of a fiscal stability law — and reforming the banking sector.

Dealing with the social aspects of the crisis is one of the priorities of my Government. Thus, in November last year, the Government set up a human development fund designed to pool revenues from the mining sector and implement targeted social transfers to alleviate the burden on the poor and the vulnerable. Starting this year, tens of thousands of eligible citizens have benefited from these transfers, which help them sustain their livelihoods. In 2008, the Mongolian Parliament adopted an MDG-based national development strategy that puts the MDGs at the top of our development policies and priorities.

As we move closer to the target date of 2015, poverty reduction remains a most challenging task in my country. The challenge of poverty reduction is compounded by weather-related natural disasters that, this year alone, led to the loss of millions of livestock, depriving thousands of herder households of their sources of income, causing migration to urban centres and putting additional pressure on basic services and the labour market there. We believe, therefore, that if we are to deal with poverty in disaster-prone countries, the structural economic vulnerability of individual countries should be a factor in development assistance planning, and that disaster risk reduction should be mainstreamed into development assistance programmes to support poverty reduction efforts.

Ensuring enhanced access for developing countries to regional and global markets is of paramount importance. The 2008 Doha Declaration reaffirmed that trade was an engine of development and sustained economic growth, yet landlocked developing countries are still to fully benefit from trade. In an effort to advance the development prospects of landlocked developing countries and raise the visibility of their special needs, an international think tank for landlocked developing countries was created last year in Ulaanbaatar, Mongolia.

We believe that, through analytical work and policy coordination, that institution could serve as a catalyst for innovative thinking on such issues as innovative sources of financing to address the development needs of land-locked developing countries; their capacity-building needs, including productive capacity needs, notably the infrastructure constraints they face; and the problems related to their structural economic vulnerability. We believe that there is potential to scale up Aid for Trade in such a way as to address the needs of land-locked developing countries, in particular through enhanced technical assistance.

The emerging challenge of climate change is an area where financing will have to increase in the years to come. In my country, the direct effects of climate change are felt in the greater frequency of harsh winters, floods and droughts, shrinking rivers and the expansion of land affected by desertification. These phenomena directly affect the livelihoods of thousands of people and pose an additional challenge to our goals of reducing poverty and ensuring environmental sustainability. We look forward to the recommendations of the High-level Advisory Group of the Secretary-General on Climate Change Financing, which are due prior to the sixteenth Conference of the Parties to the United Nations Framework Convention on Climate Change in Mexico. We are hopeful that they will reiterate the Doha statement that resources for climate change must be additional to the traditional sources of official development assistance and build on Copenhagen pledges. We also support stronger international and regional cooperation in dealing with such environmental and social issues as water scarcity and land degradation.

Earlier this year, the Secretary-General outlined his seven priorities for 2010 and urged a renewed focus on sustainable development. Pursuing it in a holistic way — that is, through all of its dimensions: economic growth, social development, environmental sustainability

and good governance — should be one of the priorities of the international community in the years to come.

It is our belief that financing for development should be financing for sustainable development. We also believe that gender equality and women's empowerment should be at the forefront of efforts to bring about sustainable development.

In conclusion, I wish to express the hope that this High-level Dialogue will make a valuable contribution to our efforts to strengthen the momentum towards the implementation of the MDGs in the lead-up to the high-level plenary meeting in September.

The Acting President: I give the floor to the representative of Ethiopia.

Mr. Nega (Ethiopia): At the outset, I should like to express my delegation's appreciation to the President of the General Assembly, the Secretary-General and the United Nations for having convened this timely High-level Dialogue on Financing for Development.

My delegation associates itself with the statements made on behalf of the Group of 77 and China, the landlocked developing countries and the Group of African States.

The global financial and economic crisis, which originated in developed countries, has compromised the hard-won development gains of many developing countries, putting at risk the very survival of poor people. Developing countries have been affected by the collapse in world trade, the sharp reversal in private capital in-flows, the fall in commodity prices and the slowdown in remittance flows, as well as by losses of income and employment due to the contraction of global economic activity. What is even more worrying is that existing official development assistance commitments have failed to materialize and that aid levels are being scaled down due to the concomitant fiscal pressures on industrialized countries.

When discussing the current financial and economic crisis and assessing its impacts, it is imperative to look at how Africa, the most marginalized continent in the world, is doing amidst the global turmoil. It is true that Africa has done well in terms of economic growth in recent years, in particular since the beginning of this century. It has enjoyed the highest growth rates in decades, given the significant variations among countries, as well as sustained and relatively fast economic growth.

What is striking is that in 2008, prior to the current global crisis, Africa was affected by accelerating increases in commodity prices, in particular those of oil and agricultural commodities. While higher commodity prices had been associated with a positive economic outlook in Africa in previous years, this turned into its exact opposite. Massive inflation erupted and created extreme pressure on the balance of payments of most African countries, followed by high transport costs and fertilizer prices, leading to skyrocketing commodity prices.

Before Africa had recovered from that crisis, the financial and then the economic crises hit the world. Commodity prices, global trade and growth all collapsed. Investment was dramatically curtailed and Africa staggered from one crisis to another. What has now become obvious is that hard-won development gains are at stake in sub-Saharan countries, which are unlikely to achieve the Millennium Development Goals (MDGs) and other internationally agreed development goals.

It must be emphasized that developing countries, including those in Africa, which have nothing to do with the current global economic and financial crisis, continue nonetheless to be most severely affected by it. These countries will find themselves mired in future global economic crises if the international community continues to fail to seriously engage in constructive and genuine partnership to realize the commitments of the Monterrey Consensus and the Doha Declaration to reforming the global economic system.

It is time for the international financial architecture to be reformed in a manner that makes it democratic and inclusive in its decision-making processes and responsive to the needs of developing countries. We also believe that in doing so, and in supporting the development of the most vulnerable countries, especially those in Africa, the international community should first and foremost give those countries the necessary policy space to adjust to changing global circumstances.

The crisis has made it abundantly clear once again that the business-as-usual way of conducting global macroeconomics has to change. The times in which we live have proved beyond reasonable doubt that the neoliberal paradigm has not delivered the

expected results and cannot therefore bring about the economic transformation we need. The right of African countries to make their own economic policies should be respected. They should no longer be subjected to conditionalities by which they are deprived of external assistance simply because they chart their own course in the pursuit of development, differing from the policy orthodoxy promoted by donors.

We therefore value some of the encouraging signs in this regard from our development partners, and we believe that more results will soon be achieved if the necessary support and freedom are given to African countries to experiment with policies of their own choice that they deem appropriate to tackle their development challenges. In taking these measures, it ought to be born in mind that the fulfilment of all official development assistance commitments is key to achieving concrete development outcomes on all fronts.

The Acting President: I call on the representative of Liechtenstein.

Mr. Barriga (Liechtenstein): In the interests of time, I shall read out a condensed version of the statement that we are circulating in writing.

The Monterrey Consensus and the Doha Declaration have been good tools for us in addressing the different crises that have hit us in the past years. What is needed is the implementation of our commitments with a greater sense of urgency and resolve. Furthermore, we need improved monitoring of the implementation of these commitments, and accountability in this respect. I wish to briefly explain how Liechtenstein has implemented its commitments from Monterrey and Doha.

The negative impact of the financial and economic crisis has not affected our commitment to achieving the agreed official development assistance (ODA) target of 0.7 per cent of gross national income. Liechtenstein has in fact consistently increased its ODA contributions since 2002 and continues to do so.

On the matter of international cooperation in tax matters addressed in the Doha Declaration, the Government of Liechtenstein committed itself to implementing internationally recognized standards of transparency and exchange of information more than a year ago. Through that declaration, we have reaffirmed our commitment to international cooperation on tax matters on the basis of internationally agreed standards that are applied on the basis of the principle of a level playing field. We have concluded numerous tax information exchange agreements and double taxation agreements, and we are determined to continue to engage with our partners in Europe and elsewhere in this respect.

Some time ago, we also took effective measures to combat the problem of illicit financial flows, especially money-laundering, and to protect our financial centre from criminal activities in this respect. We have ratified the relevant international conventions and are actively engaged in efforts to secure the recovery and return of stolen assets, in particular through the International Centre for Asset Recovery and the Stolen Assets Recovery Initiative of the World Bank. These efforts complement our long-standing commitment in the area of combating money-laundering, corruption and the financing of terrorism.

Liechtenstein has also become increasingly active in the field of microfinance. Our Government, in cooperation with foundations, academia and the Liechtenstein Development Agency, set up in 2005 a public-private partnership called the Microfinance Initiative Liechtenstein. A fund was established in 2008 with the aim of further supporting and strengthening microfinance institutions, which are best equipped to help the poor in their entrepreneurial endeavours. Liechtenstein has also supported the microfinance activities of the United Nations Capital Development Fund for a number of years.

The global financial and economic crisis has also underscored the need for more effective global governance in the area of economic policy. Good and effective solutions in this area require the support of those who are to implement them, and, most importantly, rules must apply to everyone equally, based on a level playing field. There are times when concerted action by groups such as the Group of Twenty (G-20) can bring us closer to solutions for everyone.

At the same time, if the G-20 deliberations are to be translated into effective actions on a global scale, they will need to be more consultative, inclusive and transparent. The informal Global Governance Group, of which we are a member, proposed an approach to strengthening engagement between G-20 members and

non-members. We look forward to engaging constructively on those proposals.

Liechtenstein welcomes the summit on the Millennium Development Goals (MDGs), which will be held in New York in September, as a unique opportunity to galvanize efforts towards reaching these goals. Closer coordination among the 192 United Nations Member States, but also with other stakeholders, the private sector and civil society, is indispensable in this critical endeavour. Only through such a global approach can we achieve more predictable and sustainable development for all and achieve the MDGs.

The Acting President: I give the floor to the representative of Singapore.

Mr. Menon (Singapore): While the global economic crisis has been and remains a major challenge for all of us, it would appear that the eye of the storm has passed. The global economy is expanding again and financial conditions have improved markedly. Major economies are also beginning to study how and when to wind down their emergency stimulus measures. The challenge now is to ensure that this recovery can be sustained and that developing countries are equipped with the necessary tools, funds and resources to promote development.

As one of the key elements of financing for development is international trade, it is vital that we take concrete steps towards concluding the Doha Round. Numerous studies have shown that the Round would bring income benefits and enhance the development prospects of developing and developed countries alike. It is therefore in our collective interest to exercise pragmatism, flexibility and creativity for the sake of a stronger multilateral trading system that will benefit us all.

We also need to continue to guard against protectionist sentiments and measures that will ultimately slow down the pace of economic recovery. In this regard, we welcome the declaration by the leaders of the Group of 20 (G-20) in London on 2 April 2009 not to raise new trade barriers, and to extend this commitment to 2010. This was reiterated by the Asia Pacific Economic Cooperation ministers responsible for trade at their meeting in Singapore on 21 and 22 July 2009. The rhetoric has to be matched with action — action to make sure that none of us erects new protectionist barriers.

The global financial crisis has also underscored the need for more effective global governance and mechanisms for economic policy coordination. The G-20 leaders' designation of the G-20 as the premiere forum for international economic cooperation represents a significant step in this regard. On the one hand, the formation of the G-20 recognizes the reality that key decisions concerning the global economic order can no longer be the preserve of a small elite group of developed countries. The views of many others — including key emerging economies such as China, India and Brazil — must also be taken into account. At the same time, if the G-20's deliberations are to be translated into effective actions on a global scale, they will need to be more consultative, inclusive and transparent. That will require the G-20 to reach out to and engage the rest of the United Nations membership.

It is in this spirit that the informal Global Governance Group, to which the representative of Liechtenstein just referred, has prepared a paper entitled "Strengthening the Framework for G-20 Engagement of Non-members". The paper was circulated in document A/64/706 last week. We believe that this framework would assist in the efforts to bring greater transparency and inclusiveness to the G-20 process and to build a bridge between the G-20 and the wider United Nations membership.

In closing, my delegation should like to take this opportunity to reiterate the need for countries to work together to promote open trade and investment regimes, which are a vital component of financing for development. It is also essential that actions taken to reform the international monetary and financial system take into account the need for transparency, inclusiveness and effectiveness.

The Acting President: I now give the floor to the representative of India.

Mr. Manjeev Singh Puri (India): At the outset, I should like to associate India with the statement delivered by the representative of Yemen on behalf of *the Group of 77 and China*.

We are happy that the fourth High-level Dialogue on Financing for Development has finally been held after several delays. Our preference, of course, remains for this event to have been held either during the main session of the General Assembly or along with the meetings of the Economic and Social Council, the

Bretton Woods institutions, World Trade Organization and the United Nations Conference on Trade and Development. Such a format would facilitate high-level participation in this important event. We hope that future sessions of the High-level Dialogue will be structured in that manner.

The core concept of the Monterrey Consensus — that is, ensuring enhanced and predictable financial resource flows for developing countries in order to assist them in pursuing their development agenda — is all the more relevant today. As has been repeatedly mentioned, the multiple global crises have had a severe adverse impact on the financing abilities of developing countries, in particular of the most vulnerable among us.

These countries were in no way responsible for the crises, but in many ways they have been the hardest hit. Even as we see recovery in a few countries, most developing countries continue to face the consequences of the reversal of capital flows to their countries. Official development assistance flows have been far below commitments, private capital has flown, access to capital markets is more limited, remittances have been reduced, exports have fallen, debt repayments have become difficult and balance of payments situations have worsened.

The consequent impact on development efforts and social sector investment is evident. As a recent report of the Secretary-General notes, in most countries the number of people living in extreme poverty actually went up between 1990 and 2005. This merits special recognition and needs to be underscored, including at this meeting. The subsequent crises have made the situation worse.

It is imperative that the international community make good on the loss of capital. Official development assistance commitments should be honoured, and there is an urgent need for additional funding to be provided so that countries can implement appropriate countercyclical policies. Onerous conditionalities on the disbursement of funds are unhelpful.

We have been urging multilateral development banks to finance infrastructure investment and invest in green and clean technologies, which are an ideal form of countercyclical activity. We have also been supportive of proposals to expand their capital bases, if necessary.

It is necessary to ensure enhanced market access for developing countries. Large agricultural subsidies by developed countries must be addressed in a meaningful way. The encouragement by source countries of foreign direct investment would also be useful in resuming flow of capital to the developing world.

The other area that deserves enhanced attention of the international community is that of systemic issues. Indeed, this is perhaps at the heart of the genuine implementation of the financing for development process. The need for comprehensive reform in the international financial and monetary architecture has been well recognized in the wake of the economic crisis. India has been working with other countries, including within the Group of 20, to ensure that international financial institutions reflect current realities in their structure, composition and mandates.

It is crucial that the institutions created at Bretton Woods afford a greater voice and role to and provide for the effective participation of developing countries. The membership of norm-setting bodies must be more broad-based. Regulatory mechanisms must be improved. Some progress has been made in this regard. However, much more remains to be done. We need to accelerate progress in this area.

The financing for development process, as embodied in the Monterrey Consensus and the Doha Review Conference, is a crucial element of the global partnership for development. We must ensure its full implementation, rather than make more and more commitments. Despite some changes in the follow-up mechanism instituted at Monterrey, it is clear that a more structured and periodic follow-up mechanism would immensely benefit this important process. We hope that genuine progress can be made shortly in this regard.

The Acting President: I now give the floor to the representative of Kenya.

Mr. Mugodo (Kenya): Kenya associates itself with the statements made by the representatives of Yemen and Equatorial Guinea on behalf of the Group of 77 and China and the Group of African States, respectively. We particularly wish to reiterate the observation by the Group of 77 and China that the Monterrey Consensus is an important step forward in the promotion of effective collaboration between the United Nations and multilateral financial institutions.

Furthermore, we concur with the Secretary-General's acknowledgement that progress in meeting the Millennium Development Goals (MDGs) requires an accelerated action plan.

While some countries have made significant progress towards meeting the MDG targets, most countries have made dismal progress. It is a matter of concern that no country in sub-Saharan Africa is on course to achieve all the MDGs by 2015. It was envisaged that, in order to achieve the MDGs by 2015, developing countries would need to register a consistent and sustainable annual growth rate of at least 7 per cent up to 2015. That forecast has not been realized. Most of our countries have been forced to redirect their priorities to humanitarian emergencies in response to unforeseen situations, including those occasioned by the global economic and financial crises. The crises, coupled with rising food and energy prices and the effects of climate change, have severely disrupted the development priorities of most of those countries.

It is apparent that we need to change the strategy and to formulate an accelerated action plan that identifies the quick-wins MDG targets that will trigger the requisite multiplier effects in other targets. The strategy needs to recognize the unique economic circumstances and peculiarities of each MDG target country and region.

In sub-Saharan Africa, for instance, over 70 per cent of those targeted by the MDGs live in rural areas. They depend on agriculture for their livelihoods and employment creation. The increase in the budgetary allocation to the agricultural sector has therefore been known to have a major multiplier effect on other MDGs. It is acknowledged that food security can alleviate poverty, reduce child mortality, improve maternal health and school enrolment and retention, as well as complement efforts to combat HIV/AIDS due to improved diet.

In Kenya, experience has shown that empowering populations to actively participate in designing their own development agenda is critical. The devolved Parliament has approved funds, such as our constituency development fund, the women's enterprise fund and the youth enterprise fund, enabling all sectors of the population at the grass-roots level to decide on their development priorities. Such a multifaceted and decentralized development planning approach complements other governmental poverty reduction initiatives. The system has led to an increase in social amenities, such as schools and health centres, thereby improving the living standards of the rural and urban poor.

Those are innovative approaches to development. We believe that they should be enhanced by support that targets increased budgetary allocations to the agricultural sector, in particular in critical areas such as rural infrastructure, irrigation, cheap and clean energy, and safe and clean drinking water.

It has become apparent that MDG 8 — the global partnership for development — is the most difficult to achieve. Most countries, especially in sub-Saharan Africa, have not made significant strides towards achieving the MDGs due to the following challenges.

First, with regard to the on-and-off negotiations of the Doha Development Round, Member States have failed to conclude a multilateral trading system that delivers real and substantial benefits to developing countries. That gap has led to an increase in the number of protectionist and distorting trade measures by developed countries.

Secondly, with regard to official development assistance (ODA), its levels are insufficient to enhance productive capacity, infrastructure and trade in underdeveloped countries. There is a need for development partners to keep their promises by increasing ODA levels.

Thirdly, with regard to debt burdens and the low level of coverage of current debt-relief initiatives, the Heavily Indebted Poor Countries Debt Initiative has provided relief to only a few countries. While some countries, such as Kenya, are not beneficiaries of the Initiative, there is a need to provide alternative support in the face of the adverse effects of the international economic downturn. Debt sustainability has diverted towards debt servicing resources that were meant to be used to meet the MDG targets.

Finally, another area in which the global partnership has been ineffective relates to the challenges confronted in negotiating a climate change regime. Developing countries will not meet MDG 7 without an internationally agreed climate change regime that fully addresses mitigation, adaptation, technology transfer, capacity-building and financing. We hope that the resumed negotiations will take into

account the interests of Mother Earth and the sustainability of the world population.

I wish to conclude by saying that the high-level plenary meeting to be held in September should provide an opportunity to make concrete, coordinated and action-oriented commitments, if meaningful progress is to be made by 2015.

The Acting President: I now give the floor to the representative of Monaco.

Mrs. Bruell-Melchior (Monaco) (*spoke in French*): To remain committed to the most vulnerable means meeting the commitments entered into at Monterrey and reaffirmed in Doha in November 2008 at the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus. Today, remaining committed also means taking into consideration the effects of the international economic and financial crisis, in particular on the poorest people, as well as ensuring that official development assistance (ODA) does not suffer as a result of budgetary constraints. Resources and investment to eradicate poverty and ensure sustainable development are today more crucial than ever.

His Serene Highness the Prince of Monaco has maintained that, in 2010, the Principality will continue to stand in solidarity with internationally agreed development goals. The Government has therefore worked to implement its proactive policy by increasing its ODA credits by 25 per cent every year since 2003, so as to achieve by 2015 at the latest the target of devoting 0.7 per cent of our gross national income to ODA. Thus, most of that assistance, which has always been disbursed in the form of grants, will continue mainly to benefit least developed countries in Africa. It will be used to support some 100 projects that will be implemented in partnership with countries, local municipalities and intergovernmental organizations, with the support of such international organizations as the United Nations Development Programme, the World Health Organization, the Joint United Nations Programme on HIV/AIDS, the Office of the High Commissioner for Refugees and the International Organization of la Francophonie.

Areas covered by those projects include the health, social, education and training sectors. Across the board, they will also involve gender equality and women's empowerment, which serve as engines for development. Projects will also address preserving and making optimal use of natural resources, as well as improving energy efficiency. Microfinance projects begun in 2008 have also been developed, inter alia, to help women and support profit-making activities to benefit millions of vulnerable people, including those affected by illness, in order to allow them to become or remain independent. More recently, the Government of the Principality decided to act to address climate change. We have begun carbon-offset efforts at the international level in the context of a mechanism for clean development.

On the eve of the assessment of the implementation of the MDGs in September, this fourth High-level Dialogue confirms the need to pursue a global and integrated approach to development and to establish partnerships that bring together all civil society actors, including in particular the private sector, in order to promote a true green revolution and philanthropy as innovative sources of development and evidence of solidarity.

The Acting President: I now give the floor to the representative of Sri Lanka.

Mr. Keegel (Sri Lanka): My delegation associates itself with the statement made by the representative of Yemen on behalf of the Group of 77 and China.

Our common endeavour to achieve sustainable development is hampered by various challenges, including numerous global crises that span from food, energy and climate to finance and the economy. Our leaders in Monterrey in 2002 endorsed a document that prescribed a holistic and multilateral approach to eradicating poverty and achieving sustainable development, followed by a review process in 2008 in Doha.

The East Asian financial and economic crisis in 1997 set the stage for this High-level Dialogue on Financing for Development. At that time, the current global economic meltdown was non-existent. Nonetheless, Monterrey endorsed assigning multilateral financial institutions to anchor well-designed monitoring and early warning systems in order to identify and prevent potential crises. The Monterrey Consensus and the Doha review were benchmarks of our united efforts to address the macroeconomic dimensions of the international financial, monetary and economic architecture, as well

as the eradication of poverty and the promotion of long-term development. Revisiting the primary underlying principles of Monterrey and Doha today is therefore more valid and relevant in the context of current global complexities.

Developing countries are extremely vulnerable to the negative effects of the multiple global crises. We note with satisfaction the increase in real terms of official development assistance (ODA) and other forms of traditional development assistance to help developing countries since Monterrey, but a significant part of that flow is allocated to debt relief and humanitarian assistance. Thus, it has a minimum qualitative impact on development. The full materialization of the ODA commitment by donor countries of 0.7 per cent of their gross national income is therefore necessary to further enhance the capacity of the recipients.

Developing countries beyond the ODA thresholds, particularly the middle- and lower-middle income countries, have to depend primarily on external trade, foreign direct investment and bilateral and multilateral financial borrowings. The reliance of those countries on the Bretton Woods institutions has, in effect, become inevitable, but their ceaseless quest for development is incapacitated by the absence of coherence and transparency in the international financial architecture and the failure of the multilateral trade negotiations to achieve a development-oriented early outcome. The restructuring of the multilateral financial architecture is therefore a primary need.

Our exposure to international financial institutions is tied to harsh procyclical conditionality, accompanied by non-economic political bargains. Against such a backdrop, the aspirations echoed in Monterrey to strengthening United Nations leadership in promoting development and enhancing coordination, coherence and effectiveness among the World Bank, the International Monetary Fund and the World Trade Organization do not need re-emphasizing.

The Monterrey Consensus complemented the Millennium Development Goals (MDGs). We have dedicated our scarce resources to pursuing the internationally agreed development goals, including the MDGs, and successful results have been achieved in the areas of health, education and gender by some countries, despite many odds. However, the much-delayed progress towards meeting MDG 8 — developing a global partnership for development — has been unsupportive of those positive trends. In the absence of sustainable financial inflows, the hard-earned achievements of poor countries are in peril, not only delaying further progress, but also reversing the process in some cases. Over 1 billion hungry people around the globe stand witness to our fundamental failures.

Sri Lanka, as a lower-middle-income country, has firmly maintained a policy of social welfare. Since independence, we have provided free education from primary to university level, free health care and nutritional programmes for children, resulting in our reaching the MDGs of universal primary education and gender equality and empowerment. We have achieved a literacy rate of 93 per cent. Those development goals have been achieved by upholding the traditions of democratic governance and transparency in public expenditure, where the people's welfare takes priority, despite repeated internal-external blows, exacerbated by a devastating tsunami and the internal conflict that ended last year.

We hope that the deliberations here will give added impetus to the call for collaborative international efforts to address the challenges faced by all of us in the developing world and renew the focus on the implementation of our common agenda, as agreed in Monterrey and Doha and at other multilateral forums.

The Acting President: I give the floor to the representative of Bangladesh.

Mr. Chowdhury (Bangladesh): My delegation aligns itself with the statements delivered by the representatives of Yemen and Nepal on behalf of the Group of 77 and China and the least developed countries (LDCs), respectively. However, I would like to touch upon the following points in my national capacity.

The central focus of the Monterrey Consensus is on the means of implementation of the internationally agreed development goals, including the Millennium Development Goals (MDGs). The six major sources of development funds constitute the central pillars of the Monterrey Consensus. As we all know, they are domestic resource mobilization, foreign direct investment, international trade, official development assistance (ODA), debt relief and systemic reforms.

The Monterrey Conference engendered immediate achievements, most notably in regard to the pledges of development assistance. The developed countries made concrete commitments to providing 0.7 per cent of their gross national income as ODA to developing countries and 0.1 to 0.2 per cent to LDCs, as well as duty-free and quota-free market access; extending a durable solution to the debt problems of developing countries; providing technologies and technical support; and reforming the international financial architecture.

Despite those concrete commitments, little progress has been made so far. The ongoing financial crisis has further exacerbated the situation in developing countries, particularly in the LDCs. As projected by the World Bank, the global poverty rate will be 15 per cent in 2015, which is 1 per cent higher than it would have been without the crisis, thus leaving an additional 64 million people in extreme poverty by the end of 2010. The situation is more alarming in sub-Saharan Africa, where the poverty rate, which would have been 36 per cent without the crisis, is projected by the World Bank to reach 38 per cent in 2015. The impact of the crisis is expected to further push about 20 million people into extreme poverty.

As regards employment, as analysed by the International Labour Organization, the conditions of decent work have seriously deteriorated and the number of working poor is estimated to reach 141 million, a marked increase of 41 million from 100 million in 2008-2009. The follow-up Conference in Doha in 2008 reiterated the need for focused development cooperation, giving due consideration to the impact of the ongoing financial crisis. We are, however, yet to see its positive outcome. We need a focused and robust follow-up mechanism.

The current dialogue is taking place at a critical juncture. Persisting global imbalances, the sustained net capital export from developing countries to the capital-rich developed countries, continued volatility in the exchange rate of major currencies, the unregulated expansion of speculative markets, the deadlock or slow progress in multilateral trade negotiations, and the rapid pace of climate change, coupled with dangerous financial shocks in mature economies, leading to recession, volatility in oil and non-oil commodity prices, particularly the unprecedented food price rise, all pose grave threats to achieving sustained economic growth, poverty alleviation and sustainable development in developing countries, particularly the LDCs.

These phenomena warrant strengthened global action in all areas of partnership. The international community must agree on an ambitious action plan for the full implementation of the Monterrey Consensus and to effectively address new and emerging issues through additional resources.

The least developed countries are the most vulnerable group of countries, mainly due to their structural weaknesses. Many of them will not be able to achieve the MDGs and other development goals if the required level of financial resources is not ensured. Financing for development is critically important to them. A well-crafted Doha outcome must place the special concerns and priorities of the least developed countries at the heart of it.

The Acting President: I give the floor to the representative of Zambia.

Mrs. Tembo (Zambia): I am making this statement on behalf of my Permanent Representative, Ambassador Kapambwe.

I wish to align myself with the statements made by the representatives of Yemen on behalf of the Group of 77, Nepal on behalf of the least developed countries, Paraguay on behalf of the landlocked developing countries, and Equatorial Guinea on behalf of the African Group.

At the Doha Review Conference, it was observed that most of the commitments made by the international community at Monterrey had not been honoured. Furthermore, we were operating in a different world scenario, with multiple crises relating to food, fuel and finance. These factors no doubt reduced the developing countries' prospects of achieving the Millennium Development Goals (MDGs) by 2015 and other internationally agreed development goals as a result of a reduction in financial resources to implement programmes targeting poverty.

For Zambia, domestic resource mobilization was recently adversely affected by lower tax revenues from the mining sector, the mainstay of the economy, due to falling copper prices on the international market. Zambia has also not been spared by the developed countries' failure to meet their official development assistance targets. In this regard, grants for the country averaged 4.4 per cent of gross national income instead

of the envisaged 6 per cent over the period from 2005 to 2009.

In order to improve the prospects for financing for development, the Zambian Government has, for its part, undertaken measures to enhance domestic resource mobilization and utilization by broadening the tax base and applying these resources to such key priority areas as infrastructure development. Providing an environment conducive to investment and pursuing public-private partnerships are other strategies the country is implementing to mobilize foreign direct investment and other private flows for development. Having benefited from the Heavily Indebted Poor Countries Debt Initiative, Zambia is enforcing a cash budget and relying on grants and concessionary loans.

Although Zambia has put in place the measures I have just outlined, the resources being mobilized for development are limited and will not enable us to attain the internationally agreed development goals in a timely manner. It is in this regard that we call upon the international community to honour its commitments with regard to official development assistance and the Paris Declaration on Aid Effectiveness. It is also our desire to increase earnings from exports, and we therefore call for the immediate operationalization of the Aid for Trade Initiative and the conclusion of the Doha Round of trade negotiations.

Let me at this point take note of and commend the high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development that took place last week here in New York. However, more interaction and coherence is necessary among these institutions to achieve development and end poverty.

Zambia, as co-facilitator with Norway of the Outcome of the Conference at the Highest Level on the World Financial and Economic Crisis and its Impact on Development (resolution 63/303), will play its role in enhancing dialogue and implementing the outcome document. A series of panel discussions are lined up for the period from April to May 2010. We look forward to lively engagements with Member States and all relevant stakeholders.

The Acting President: I now call on the observer of the Holy See.

Mr. McCarthy (Holy See): Given the lateness of the hour, we will be especially brief, since we have also circulated the text of our statement.

The devastating impact of the recent financial crisis on the world's most vulnerable populations has been highlighted in almost all the statements made so far in this fourth High-level Dialogue of the General Assembly because it really is a concern shared by Governments and citizens all over the world. At the same time, the current economic crisis has given rise to unprecedented international political cooperation, as evidenced by the three successive high-level meetings of the Group of 20 in Washington, D. C., London and Pittsburgh, United States, in 2009.

However, the stabilization of some economies does not mean that the crisis is over. Furthermore, there is a general perception that there is a lack of sound political and economic foundations needed to ensure the longer-term sustainability of the global economy.

It is against this background that the Holy See underscores the view that we cannot wait for a definitive and permanent recovery of the global economy to take action. A significant reason for this is that the re-activation of the economies of the world's poorest people will help guarantee a universal and sustainable recovery. But the most important reason is the moral imperative not to leave a whole generation, nearly a fifth of the world's population, in extreme poverty.

At the end of the Second World War, the international community was able to adopt a comprehensive system that would not only ensure peace but also avoid a repetition of global economic disruption. The institutions that emerged from the Bretton Woods conference in July 1944 had to ensure the launching of a process of equitable economic development for all. The current global crisis offers a similar opportunity, requiring a comprehensive approach based on resources, knowledge transfer and institutions. To achieve this, all nations, without exception, need to again commit themselves to a renewed multilateralism.

The Acting President: In accordance with General Assembly resolution 62/76 of 6 December 2007, I now call on the observer of the Eurasian Development Bank.

Mr. Finogenov (Eurasian Development Bank) (*spoke in Russian*): The Eurasian Development Bank is one of the youngest organizations in the family of international development institutions. The Bank was set up in 2006 and, besides the Russian Federation and the Republic of Kazakhstan, has two other full members: the Republic of Armenia and the Republic of Tajikistan. The Republic of Belarus has signed the Bank's founding document and the Kyrgyz Republic is also in the process of becoming a member. This shows that the Bank is a genuine financial instrument for development and integration in the post-Soviet space.

It should be noted that, as the number of Bank members grows, so does our cooperation with the United Nations. Thus, in December 2007, the Bank was given observer status at the General Assembly. Last year, the Bank became an observer at the Trade and Development Board of the United Nations Conference on Trade and Development and signed a memorandum of cooperation with the Food and Agriculture Organization of the United Nations. Our cooperation with the United Nations Development Programme is also increasing.

Achieving the Bank's own mission is intimately linked to our efforts to consistently address the objectives set out in the Monterrey Consensus and the Doha Declaration on Financing for Development. In this context, I would like to highlight two important aspects of our work that I believe to be especially important in the context of the financial and economic crisis.

The Monterrey Consensus views international trade as an engine of development. Therefore, our first priority in our investment activities is to ensure an integrated impact, leading to increased mutual trade, mutual investment and manufacturing cooperation among States members of the Bank.

As a result, the Bank's investment projects have, for instance, increased trade between the Russian Federation and Kazakhstan by approximately 6 per cent per year. We have launched projects with the potential to generate mutual trade among the Bank's member States amounting $461,500 million annually, with an increase of $300 million in mutual investment. Enhancing States' export potential is particularly important for landlocked States, and most of our members are such States.

The second point to which I wish to draw the attention of the Assembly is the role of regional development institutions, such as our Bank, in mobilizing financial resources. Each dollar we loan generates $2.03 in new investments. Currently, 35 projects are being reviewed by the Bank and our participation amounts to almost $3 billion. This demonstrates that, in this time of crisis, development banks can support investment activity in the high-priority and socially significant sectors the economies of their member States.

In this regard, I stress that another important criterion in selecting projects is to ensure that they achieve the optimal multiplier effect and increase production and employment in related industries.

I believe that one outcome of this High-level Dialogue could be specific recommendations to coordinate the work of development institutions in financing for development. We have had positive experiences with such cooperation in our region, in particular in Tajikistan and the Kyrgyz Republic.

The Eurasian Development Bank has played an important role in such initiatives. In particular, new opportunities for such cooperation were provided by the decision taken in June 2009 by the heads of State of the Eurasian Economic Community to give the Bank responsibility for managing the Community's anti-crisis fund, which currently stands at $8.5 billion. The fund will be used to provide stabilizing loans, sovereign loans and funding for inter-State projects in member countries.

We view international cooperation in this sphere as one of the preconditions for putting the world on the path of sustainable development.

The Acting President: We have heard the last speaker in the High-level Dialogue. Before adjourning, I should like, on behalf of the President and the entire membership, to thank most sincerely the interpreters for their cooperation.

The meeting rose at 1.30 p.m.